

CITY OF ST. LOUIS, MISSOURI

FISCAL YEAR 2012

ANNUAL OPERATING PLAN



**As Adopted
June 24, 2011**



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Lewis E. Reed, President Board of Aldermen

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CITY OF ST. LOUIS

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Special thanks to the Department and Division Heads; Pete Joergensen and the entire Multigraph staff for their work on the cover and of this document; and Jeannie Head and all the Records Retention staff for their work on the reproduction of this document.



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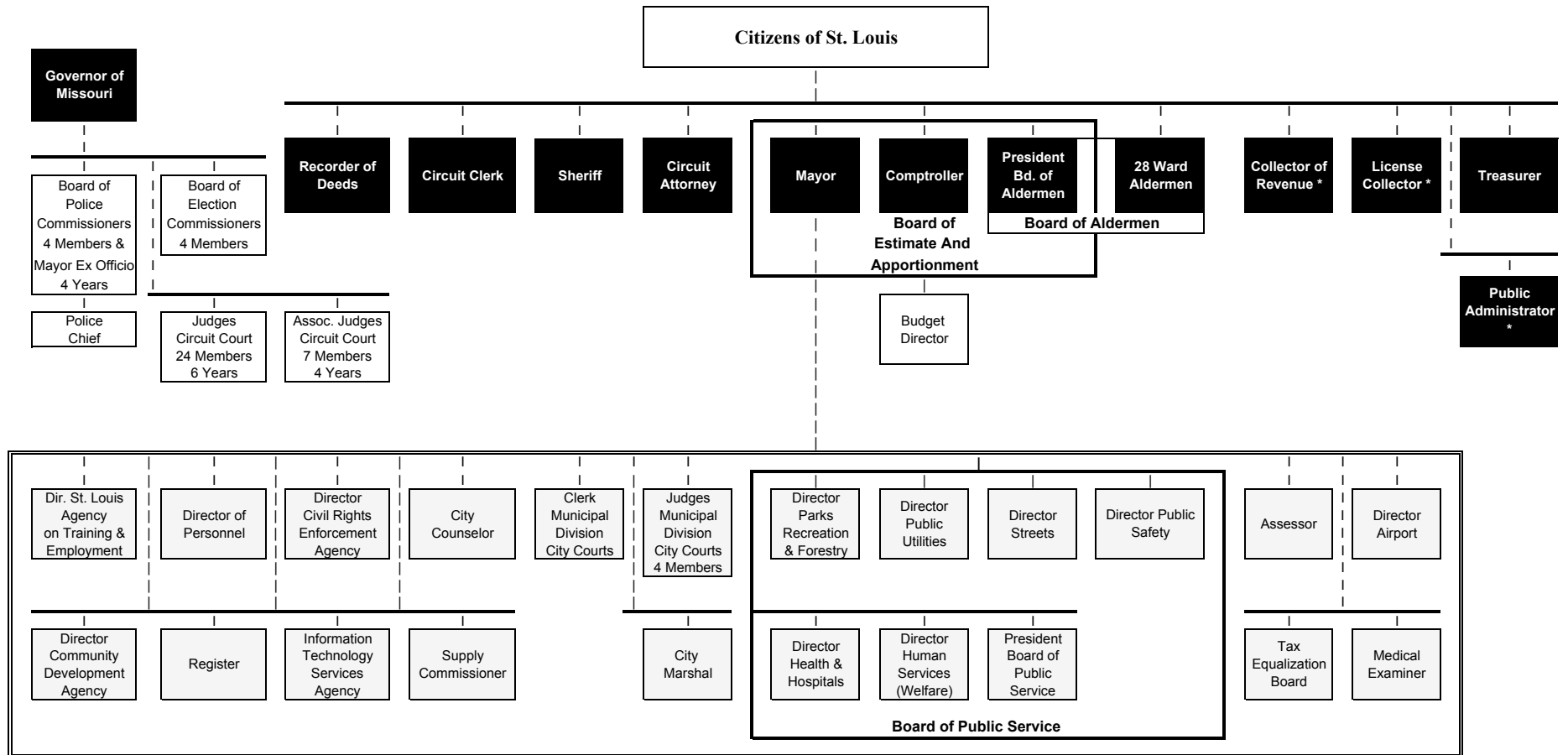
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Government of the City of St. Louis, Missouri



■ Elective Offices - 4 Years

□ Offices appointed by Mayor

* Indicates a fee office (not included in general appropriation)



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
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For the Fiscal Year Beginning

July 1, 2009

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the Budget Division, City of St. Louis for its annual budget for the fiscal year beginning July 1, 2009.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



EXECUTIVE SUMMARY

FY2012 ANNUAL OPERATING PLAN

Each annual operating plan has as its primary task the charge of allocating resources in a manner that furthers City government's mission namely to provide safe neighborhoods, attractive parks and recreation, affordable housing, efficient transportation, a citizenry of good health and well being, a vibrant and diverse economy and an effective and efficient government.

The proposed FY2012 Annual Operating Plan continues the efforts of recent fiscal years in coping with the after effects of the previous recession and slow economic recovery. In the past fiscal year, these efforts have included reducing expenditures in most departments, pursuing new ways of delivering City services, implementing a number of new fees as funding for services and deferring certain investments in capital improvement expenditures. The basic premise behind these efforts has been to achieve a budget that remains both balanced and sustainable while continuing to provide the core City services that are expected by City residents, visitors and businesses alike. While the economic indicators have improved in the past twelve months, the turnaround has been slower than in previous recovery periods and unemployment in particular remains stubbornly high. So while major City tax revenues have seen a return to growth in the past fiscal year, this growth continues to remain at a restrained pace. On the expenditure side, the City will continue efforts to contain payroll costs particularly in regard to employee pensions and at the same time will need to address some increases in commodity costs used to support City services such as fuel and street maintenance supplies. The overall budget will again see a reduction in the total City workforce as it addresses these issues and continues to meet all of its fixed obligations.

FY2012 Budget:

	<u>FY11</u>	<u>FY12p</u>
General Fund	\$451.2M	\$450.0M
Special Revenue		
& Other Funds	266.5M	263.6M
Enterprise Funds	<u>220.0M</u>	<u>224.0M</u>
Total	\$937.6M	\$937.6M

In meeting these objectives, the FY2012 Annual Operating Plan allocates a total of \$937.6M in all funds combined. This total is practically flat from the previous fiscal year. The City's general fund, which at a proposed \$450.0M remains the largest component of the budget providing the bulk of City services, will see a slight decline of about \$1.2M or just under one half of one percent compared to the previous year. The proposed FY2012 budget contains additional reductions of 125 positions in total, including a net 60 positions from the General Fund.

**REDUCING EXPENDITURES AND FINDING NEW WAYS TO DELIVER CITY SERVICES****Safe Neighborhoods**

The total FY2012 budget for the Police Department excluding grants but including pension costs is \$163.7M. This makes the Police Department second only to the Airport in size as a component unit of the budget. The largest increase in Police costs over the last several years has been pension costs which are rising another \$2.5M in FY2012. Combined with sluggish revenue growth, the Department has been challenged to find ways to offset cost increases without diminishing the uniformed police presence on the street. Through a number of these efforts combined with continued assistance from the American Recovery and Reinvestment Act (ARRA) grant, the number of authorized uniformed officers will remain unchanged at 1,345 in FY2012. Efforts over the past year to identify areas of potential savings from consolidating certain administrative services with the City will continue.

The City Fire Department faced an even greater challenge in the current fiscal year as pension costs increased \$6.5M in FY2011 and were expected to rise another \$5.2M in FY2012 bringing the total Fire Department budget to \$73.2M. Over the past fiscal year, through reductions in holidays and changes in scheduling the Fire Department has reduced its staffing requirements to 586 uniformed firefighters. Achieving these savings through attrition, (typically 1 per every two weeks) however, has been a slow process and as a result has led to overspending by the department. In the third quarter of FY2011, a reduction through layoff of an additional 30 firefighters was deemed necessary to curtail the overspending. The City received a Staffing for Adequate and Emergency Response (SAFER) grant to assist with the funding of these laid off positions in FY2012. There was a proposal before the state legislature that would allow for the Fire Retirement system to switch methodologies in valuing its current retirement system. The method, known as Entry Age Normal (EAN), would reduce the FY2012 overall contribution to FRS by \$5.8M of which \$5.2M is the general fund portion. Of this \$5.2M amount, \$3.8M had been utilized in the FY2012 budget to keep overall costs of the Fire Department from increasing while the remaining \$1.4M will remain appropriated if needed as payment to the Fire Retirement system. In the event the legislation did not pass, the difference was to be paid to FRS over a 5 year period. As it turned out, the legislation was not adopted thus triggering the 5 year agreement. It is important to note however, that although the EAN method is a more common method for pension valuations, this proposed switch in valuation method does not produce actual cost savings as the City's contributions will increase in the future and pension changes that produce real cost reductions will still be necessary to bring pension costs down to more sustainable levels. In other areas of the Department of Public Safety, the Division of Corrections has seen its inmate population stabilize to approximately 1,400 inmates at both the MSI and the City Justice Center combined. Efforts to control the level of non-violent offenders



through alternative sentencing and the use of electronic monitoring will continue to be explored as a potential means to reducing costs.

Attractive Parks and Recreation

Operation of the City's new recreation center on the City's south side continues to exceed expectations. A City owned facility, it is operated through a management agreement with the YMCA. Meanwhile, construction of a second recreation center on the City's north side has begun and is anticipated to be completed in February, 2012. Both projects were made possible through the 1/8 cent sales tax for local parks funds which provides the funds for financing the debt issued to build the centers. Elsewhere in the Parks Department and despite limited funding, the Parks Division will continue to maintain a two week cutting cycle for its seasonal turf maintenance crews during the crucial portions of the growing season and the Forestry Division which services vacant lots and buildings will maintain its goal of 4 vacant building and 8 vacant lot rotations from April to September to ensure both the appearance and desirability of these properties throughout the City. An increase of approximately \$200,000 in per performance seasonal employee salaries to support 8 additional two-person trim crews will allow Forestry to address increased demand for trimming in vacant lots.

Affordable Housing

As in the previous fiscal year, the FY2012 budget proposes an Affordable Housing Commission allocation of \$4.0M. This is \$1M less than the normal allocation. It is proposed that these funds would be made available for helping meet revenue shortfalls in the Local Use Tax Fund. The allocation for Building Demolition is likewise reduced by \$1.5M which will also be made available to assist with the budget gap. The reduction in available housing funds is to be targeted toward those funds typically allocated for development as opposed to social services networks. These funds will also continue to be supplemented with community development block grant funds that will be awarded and appropriated later in the fiscal year.

Efficient Transportation

With the assistance of federal grant funding, work on major street and bridge improvements will continue on projects such as the Tucker Street Bridge replacement and the Grand Avenue viaduct between I-64 and Chouteau. The Grand Avenue Bridge was closed to traffic in March, 2011 as part of a \$22M project to remove and replace the bridge and is expected to be closed for up to 14 months. The entire project is expected to take up to two years to complete. In the Street Division, due to heavy snowfalls in the past winter season a total of \$875,000, an increase of \$590,000 is being allocated to replenish approximately 17,500 tons of salt for the next fiscal year. Also within the Department of Streets, the Refuse Division, helped in part by the implementation of a new refuse collection fee implemented in FY2011, distributed nearly 2,900 new blue



recycling bins and 4,000 roll out carts for recycling throughout City neighborhoods. An additional \$3.0M will be allocated to complete this effort in FY2012. In addition to the positive environmental impacts of recycling, the cost of landfill disposal declines with every ton of waste that is recycled and removed from the City's waste stream.

Citizenry of Good Health and Well Being

The City's Department of Health and Hospitals implemented a number of new initiatives in the past year designed to both improve services and reduce costs without impairing the ability to provide core health services. The Animal Regulation section will continue its partnership with Stray Rescue and Animal House for adoption of stray animals and a reduction in the euthanization rate in the City. The Health Division has also implemented new food inspection ordinances which have been expanded to include groceries to reduce the risk of food borne ailments and new air pollution ordinances in order to maintain state and local monitoring agreements. In the area of Communicable Disease control, the Health Division having conducted over 5,000 HIV/STD tests in outreach settings in the past year, will work to expand the education campaign to such areas as beauty and barber shops so that testing for communicable diseases can be extended even further to at risk populations. The Department will also continue general public health efforts such as the "Smoke Free St. Louis Kids" project which was the recent beneficiary of a grant from the Missouri Foundation for Health Tobacco Prevention and Control project.

Vibrant and Diverse Economy

Economic development remains a crucial element in securing the jobs and business investment necessary to sustain a stable and diverse revenue base. Although much of the surge in development projects over the past decade has slowed in recent years, some significant developments are continuing and moving toward completion. The local development agency, SLDC, continues to be successful in securing funds and incentives that stimulate businesses and real estate development and job creation. Four major downtown mixed-use projects, the Laurel, 600 Washington, Seventh Street Garage and The Park Pacific are scheduled for completion in the coming months. Totalling \$350M in investments, these projects will result in 420,000 square feet of office space, 165,000 square feet of retail space, 437 residential units and 212 hotel rooms being renovated or added in the heart of the City. In addition, two major cultural centers, the Peabody Opera House and the Central Library are in the process of being renovated at a combined cost of \$158M. In addition, Proctor and Gamble is expanding its manufacturing plant on the north side of the City, Washington University is completing construction of its new school of engineering and Barnes-Jewish Hospital is continuing the expansion of its campus with the construction of an 11-story health clinic. All of this economic development will be supported and enhanced by two major infrastructure projects: the soon to be completed \$34M rebuild of the Tucker Avenue bridge and the construction of the new \$667M Mississippi River Bridge.



Effective and Efficient Government

The effort to provide services both effectively and efficiently is intensified when operating in an environment of tight budgetary constraints. The FY2012 Annual Operating Plan includes a number of initiatives to address the costs of government.

Employee Pay and Benefits

As in the two previous fiscal years, the proposed FY2012 Annual Operating Plan assumes no increases in City employee salaries. Furthermore, in order to offset the cost of increases in employee pension and health insurance costs, most department budgets include a salary savings reduction equal to 3.5% of payroll. This salary savings amount, including fringe benefits, totals \$4.4M in all funds. Of this, \$4.0M is included in the general fund. In the current fiscal year, employee furloughs equivalent to five days for general employees and ten days for management were implemented as part of the effort to meet this amount. The method for achieving these savings in FY2012 will be determined through pay negotiations.

Other Budget Items

Most administrative offices in City government will see continue to see budget and staff reductions. General Government and Finance offices which include offices such as the Board of Aldermen, Mayor, Personnel, City Counselor and Comptroller will contain 16 fewer positions and see a reduction of approximately \$800,000 in funding. One of the larger reductions in this area is the City's sewer bill paid through the Comptroller's office which is anticipated to decline \$350,000. In FY12, the costs of the Election Board are budgeted to decline by \$700,000 as a result of having only one election, a presidential primary, scheduled in the fiscal year.

The City's Equipment Services Division of the Board of Public Service purchases approximately 1.3M gallons of fuel annually to keep City service vehicles running. The rising cost of fuel in the past year along with the continued deferral of equipment replacement and resulting need for repair has led to increases in costs of these support services. The Equipment Services Division budget will rise \$1.3M in FY12 to address these increased fuel and equipment repair costs.

NEW REVENUES AND SERVICE FEES

Part of the effort to bolster City revenues and maintain a balanced budget has involved a review of the City's fee structure and imposing fees where appropriate to recoup the cost of providing a service or adjusting fees which have not been adjusted for some time. A number of such fees were initiated in FY11 and will continue to provide revenues in FY12 and beyond.



Refuse Collection

Unlike many municipalities, the City of St. Louis had not charged a service fee for refuse collection. The City provided twice weekly refuse pick-up, a once per week collection of yard waste, a once per month collection of bulk waste and the opportunity for additional trash disposal at the City's refuse transfer station. In FY2011, the City began imposing a collection fee of \$11 per month to recoup the cost of these services as well as provide funds for an additional \$3M program for Citywide recycling and collection enforcement. The fee is expected to generate an estimated \$10.6M in the current fiscal year and \$12.6M in FY12, the first full year of implementation. After allowing for the costs of the new recycling effort, a total in excess of \$9M will have been provided to offset the costs of collection and disposal of municipal waste.

Other Service Fees

Aside from Refuse, a number of other departments have either imposed new fees or updated existing fees in the past year. The City's Health Division has offset reductions in state funding for its Air Pollution monitoring program with inspection fees that are anticipated to provide over \$200,000 toward the cost of these services.

Likewise, the food control section of the Health Division has implemented new codes regarding inspections and in the current fiscal year is expected to offset costs with an additional \$600,000 in fee revenue. Additional fee revenues from street blocking permits of the Street Department and excise fees from the Excise Division have generated an additional \$300,000 in the past fiscal year and these new sources of funds will continue in FY2012.

SPECIAL REVENUE REALLOCATIONS

Despite some anticipated revenue growth in FY2012 and in addition to the expenditure reductions and new revenues already described, the FY2012 Annual Operating Plan will continue to rely on the reallocation of a number of existing special revenues to offset the budget gap. In many instances, special funds are dedicated to supplement existing general fund services and so faced with a decline in these services, the reallocation of the supplemental revenues becomes a necessity. As in the past fiscal year, some of these reallocations, such as deferral of capital expenditures are intended to be temporary in nature while others may be more long term depending on fiscal circumstances.

Reallocation of Capital Fund Revenues

In the Capital Fund, the ½ cent sales for capital improvements is allocated by ordinance; 50% to Wards, 17% to Major Parks, 10% to Police, 3% to Recreation and 20% to Citywide projects. With only 20% for Citywide projects, the City's general fund contributes to the Capital Fund to meet the remaining balance of debt service obligations on City facilities and equipment. Of the ½ cent capital accounts, both the Citywide and Police



accounts, as well as most of the Forest Park sub-account are restricted by fixed debt service commitments. In FY2011, an effective 25% of the ½ cent ward allocations and the remaining parks and recreation 1/2 cent allocations were reallocated to the Citywide account to offset the general fund's capital obligations. The proposed FY2012 annual operating plan will continue this reallocation of capital funds. The remaining ward account allocation will total \$5.8M which despite the reallocation is an increase of approximately \$450,000 over the current fiscal year.

Reallocation of Affordable Housing and Building Demolition Funds

As previously discussed, the FY2012 budget proposes an Affordable Housing Commission allocation of \$4.0M or \$1M less than the normal allocation. These funds will be made available for helping meet previous revenue shortfalls in the Local Use Tax Fund. Similarly, the allocation for Building Demolition is proposed at \$1.5M, a reduction of \$1.5M from the normal allocation which will also be made available to assist with the budget gap. The reduction in available housing funds is to be targeted toward those funds typically allocated for development as opposed to social services networks. These funds will also continue to be supplemented with community development block grant funds that will be awarded and appropriated later in the fiscal year.

Other Fund Reallocations

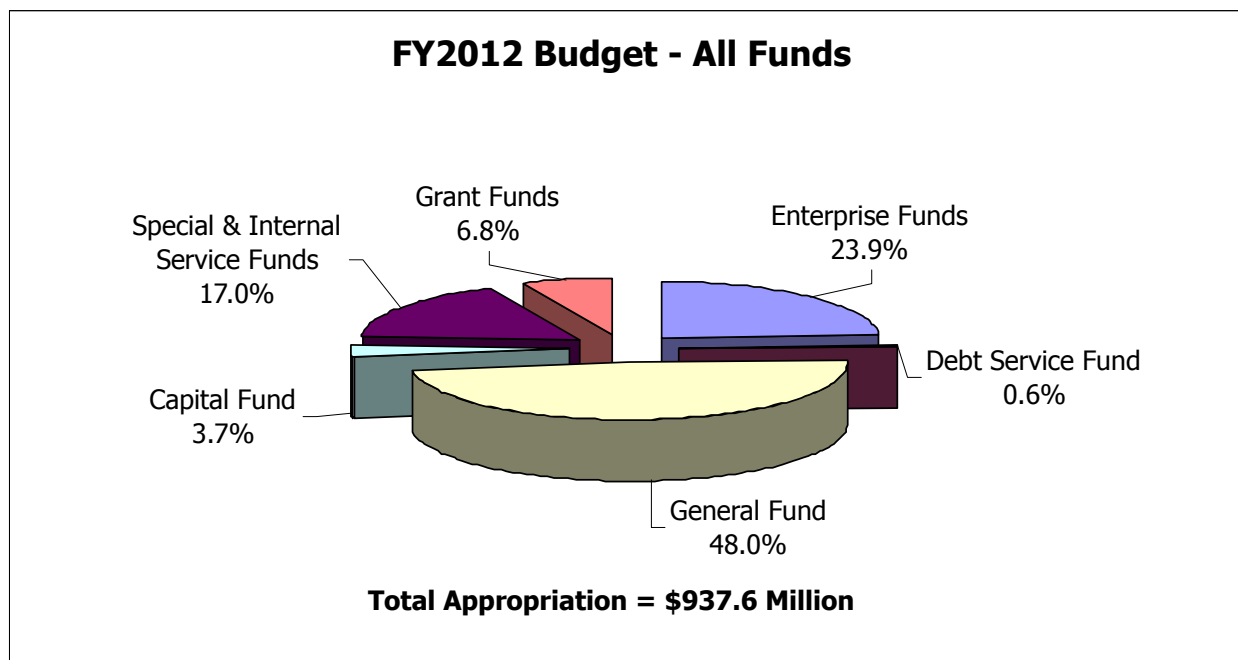
While Forest Park capital funds were spared any reductions, the general fund currently pays for utility costs of facilities in the park in the amount of \$590,000. It is proposed that the Forest Park Fund, which is funded with concessions and other revenues generated in the park will continue to assume these costs. In FY11, \$500,000 in crime prevention funds from the ½ Cent Public Safety Sales Tax was utilized to support city recreation programs in lieu of charging new recreation fees. In FY12, this will continue albeit at a smaller amount of \$200,000.

While some of these reallocations which were initiated in FY11 and continued in FY12 may be temporary in nature, other steps taken in this FY2012 Annual Operating Plan, including the proposed expenditure reductions in many areas of City government, new and improved ways to deliver certain City services coupled with new sources of revenue will remain essential components of ensuring sustainable and balanced budgets into the future.



FUND GROUPS

The total recommended budget for FY2012 is \$937.6M and is funded by a combination of local tax and fee collections, dedicated funds for enterprise functions and project specific grants. The vast majority of local taxes and fees collected are used in support of general fund activities. The remaining local collections are deposited in special accounts due to legal requirements and are used to augment the services provided by the general fund. These special funds include those containing Local Use Tax proceeds, revenues from gaming operations, the cable television gross receipts tax, the state subsidy for property tax assessment, building demolition, lead abatement and other special funds. In the budget, these amounts are further broken down by departmental activities using specific projects and accounts, with appropriate distinctions being made between operating and capital expenditures.





GENERAL FUND OPERATIONS

The general fund budget, in combination with a variety of special funds, supports those recurring activities necessary for the operation of City government. These activities are supported by a combination of revenues derived from taxes, fees, fines and intergovernmental transfer payments. At \$450.0M, the FY2012 general fund budget is the largest of the City funding units. Of this total, the largest allocation under the general fund is for public safety at \$253.3M. Police services including police pension costs amount to \$144.1M. The remaining public safety allocation from the general fund provides for fire protection, pre-trial inmate housing, emergency medical services and various permitting, inspection and neighborhoods stabilization activities. The general fund budget also funds the majority of park and recreation operations at \$19.5M, streets, traffic and refuse collection at \$34M, and general government and finance operations at \$28.2M. Functioning as both a City and County the general fund also includes appropriations for the 22nd judicial circuit of Missouri and a number of county office functions for \$52.9M. Debt service payments for large projects funded through lease arrangements are included in the general fund allocation in the amount of \$26.6M. Lease debt payments in FY2012 include the annual lease payments on the Scottrade Center debt and the Convention Center / Stadium and City Justice Center complexes. The remainder of the general fund budget can be categorized as paying for public service engineering services, maintenance and operations of public buildings, and fleet services.

SPECIAL FUND OPERATIONS

Federal and State Grants

The largest category of special funds is grant funds secured from agencies at both the State and Federal level. These funds are included in the proposed budget in the amount of \$63.25M a 1.9% increase from the current year. The largest portion of these grant funds are dedicated to health programs and social service programs administered by the Department of Health and the Department of Human Services respectively. In FY2012, the Department of Human Services will administer a total of \$15.6M in grants related to services for the aging as well as HUD programs to end chronic homelessness. Combined with existing health grants, a total of \$30.9M in grant funds will be allocated for use by these two departments. Previously approved federal stimulus grants included funds for COPS grants for maintaining uniformed Police officer strength as well as juvenile accountability grants (JAG) for other program specific public safety efforts. Public Safety grants are estimated to total \$13.2M in FY2012 including the previously discussed SAFER grant for supporting firefighter staffing. The remaining grant funds support the City's efforts in the provision of job training services through the St. Louis Agency for Training and Employment and provide administrative support for the Law Department and the Community Development Agency.



OTHER SPECIAL REVENUE FUNDS

The remaining special fund allocations in the budget come from revenues which are legally required to be accounted for separately from the general fund. This category includes the funds such as the 1/2 Cent Public Safety Sales Tax Fund, and the Employee Pension Trust Fund. Other funds include the Local Use Tax Fund which provides approximately \$27M on an annual basis. Programs funded by the Local Use Tax include public health care services, building demolition, affordable housing development, police services, and neighborhood preservation efforts. In FY2012, this budget will also allocate \$11.1M from gaming operations which will be used for capital improvements and enhancing the safety of the public visiting the riverfront. Special revenue funds also allocated in this budget include the Convention and Tourism fund, Assessment Fund, Communications Fund and other miscellaneous special funds for demolition of condemned buildings, and repair of sewer lines.

Debt Service Fund

The budget allocates \$5.7M in debt service payments on the City's outstanding general obligation debt. At the end of the current fiscal year, the City will have just under \$43M in general obligation debt outstanding. This outstanding debt relates to issues in 1999 for public safety building improvements and fire engine fleet replacements as well as an additional issue in 2006 targeted for financing matching grants for street and bridge projects as well as floodwall repairs and for public safety communications systems.

Capital Improvements Fund

The Capital Improvements Fund budget allocates \$34.9M in funds dedicated to equipment purchases and capital improvements. The sources of capital funds include a dedicated 1/2 cent sales tax, a portion of a 1/10 cent sales tax dedicated to Metro Parks, a portion of the state gasoline tax, gaming admissions receipts, and proceeds from sales of City assets. The Capital Fund budget of \$34.9M, while continuing to defer some capital projects still reflects an increase \$6.3M from the previous year with the majority of these funds allocated toward payments on a variety of lease debt agreements. The capital budget includes a reallocation of \$3.4M in 1/2 cent sales tax funds to offset general fund debt payments on various existing City facilities and will see a modest increase of approximately \$160,000 in sales tax receipts. The Capital Fund budget does provide approximately \$500,000 for an estimated first year payment on a lease purchase of up to \$10M to renovate space at the municipal building at 1520 Market in anticipation of the relocation of SLDC and for other repairs and improvements at this facility.

Enterprise Fund Operations

The City's Water Division and the Airport are operated as enterprise funds in that expenditures related to operations of these departments are funded through revenues generated from their operations. In FY2012,



the budgets for these two departments will total \$52.7M and \$171.3M respectively. The Water Division receives its income from the sale of water to residents of the City and recently from the sale of water to other municipalities in the metropolitan area. Approximately 8% of the Water Division's budget or \$4.4M is devoted to retirement of revenue bonds issued for capital improvements to the divisions' two treatment facilities and an upgrade of the supporting infrastructure. With a budget of \$171.3M, the Airport is the City's largest cost center and is supported entirely by user fees paid by airlines and concessionaires, along with federal funds. Approximately 46% of the airport's budget is devoted to debt service payments on revenue bonds for Airport expansion and to facilitate repair and maintenance of the runways and terminals. The remaining budget amounts provide for the administration and daily operations of both the Airport and Water Division.

Internal Service Funds

The City's internal service funds are funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies. These include the City's mailroom and employee health benefits fund. Appropriations for these funds total \$0.8M and \$39.8M respectively.

SUMMARY

In summary, the total budget appropriation for FY2012 is \$937.6M or nearly flat with the previous fiscal year. The General Fund which serves as the main operating fund for funding major City services totals \$450.0M. This represents about 48% of the total amount or just under half of the total budget. City general funds are supplemented by a total of \$63.2M in grants from State and Federal Sources. The remainder of the budget comes from a variety of special and enterprise funds maintained by the City in compliance with specific ordinances or agreements. The FY2012 Annual Operating Plan reflects a third successive year of budget reductions and initiatives geared toward maintaining a balanced budget in a difficult economic environment. As in the previous year, these initiatives have included cost reductions across most departments of City government, new and improved ways of delivering City services, new revenue proposals as well as reallocations of existing sources of revenue. In continuing these steps, the FY2012 Annual Operating Plan is emphasizing the preservation of core City services deemed most essential to residents, visitors and businesses alike and that the City's mission of pursuing and ensuring a high quality of life remains sustainable in the years to come.



FY2012 Annual Operating Plan Highlights

- \$4.4M in salary savings equivalent to 3.5% of salary costs to offset general and other fund employee pension and payroll cost increases.
- \$1.6M in proceeds from the first year of a two year \$3.2M Fire Dept. SAFER grant for funding 29 firefighter positions
- Police to maintain 1,345 authorized uniform officer total while offsetting \$2.5M increase in pension costs
- \$3.8M from proposed change in Fire Retirement valuation method used to offset increase in City contributions
- \$700,000 reduction in costs of the Election Board to meet reduced schedule of only one election, a presidential primary, in the next fiscal year
- \$590,000 increase in Street Division budget to replenish road salt supply after harsh winter
- \$350,000 reduction in projected sewer fee costs paid thru the Comptrollers Office
- \$1.3M increase to meet rising fuel and vehicle repair costs of the Equipment Services Division
- \$250,000 reduction in subsidy of Assessor's office
- \$2.8M allocated for 2nd year of expanded recycling and enforcement programs of the Refuse Division
- \$3.4M in reallocated ½ cent capital revenues to offset citywide capital debt service costs
- \$3.2M in capital revenues to be derived from sale of municipal building at 634 N. Grand
- \$1M in Affordable Housing and \$1.5 in Building Demolition funds reallocated to offset Local Use Tax shortfalls
- \$4.9M in operational cost reductions at the City Water Division
- \$300,000 reduction in Local Use tax funded positions in the Health Dept.
- \$280,000 in first year debt costs for improvements to 1520 Market building in anticipation of move of development agency
- Net decrease of 125 positions in all funds



BUDGET FORMAT

The remainder of this budget document is divided into the following sections:

Budget Overview: This section provides a more detailed discussion of the City's projected revenues and expenditures. The discussion includes an overall economic outlook for the City and includes summary tables illustrating projected revenues and appropriations for all funds. Also included is information regarding the City budget process, vision and goals.

Department and Program Budgets: This section is divided by major City departments. Each department begins with a summary of budget statistics and is followed by division and program budgets within each department.

The division and program budgets are presented in a format that contains narrative information about respective programs and identifies outputs and projected performance levels.

Capital Improvements: The City's FY2012 Capital Budget and Capital Improvement Plan are presented in this section. A detailed discussion of the five-year plan and description for each capital project are being submitted under a separate cover.

Appendix: The appendix includes supplemental information about the City and its budget including debt issues, trends in personnel, etc. A glossary of key terms and acronyms is provided for the convenience of readers. Also included are selected demographic, social and economic statistics and indicators.



BUDGET OVERVIEW

FY2012 ANNUAL OPERATING PLAN

This section presents summary information on the FY2012 Annual Operating Plan for the City of St. Louis. The discussion that follows describes the economic outlook for the City and region in the context of both the national and state perspective and presents a comprehensive review of the general operating fund budget as well as for enterprise and special revenue funds. Also presented in this section are summary tables of sources and uses of funds for all fund groups and descriptions of the major sources of revenue for FY2012.

ECONOMIC OUTLOOK

U. S. Economic Outlook

The U.S. Bureau of Economic Analysis reported an increase in the annual rate of growth of the real gross domestic product of 3.1% in the fourth quarter of 2010. This continues a series of recent reports indicating growth in the national economy, albeit at a pace slower than most given the severity of the latest recession. Likewise, the Bureau of Labor Statistics reported that non-farm payroll employment increased by 216,000 jobs in March, 2011, and that the national unemployment rate has slowly declined to 8.8% following a year or more of rates approaching double digits. Most recent growth in economic activity has been attributed to positive

Key Economic Indicators

Change in U.S. GDP 4thQ'10 **+3.1%**

Change in CPI 12 mos. ending February, 2011
+2.1%

Unemployment
U.S. (Mar'11) **8.8%**
Missouri (Feb'11p) **9.4%**
City (Feb'11p) **11.4%**

Source: U.S. Bureau of Labor Statistics

growth in personal consumption expenditures which is being offset in part by reductions in spending by state and local governments. While reports of consumer price increases over the past twelve months remain at a modest 2.1% pace, there are rising concerns that increases in commodity prices, particularly oil and gas, will have the potential to put a damper on consumer spending. The Vice Chair of the Federal Reserve recently expressed the sentiment that the recent increase in commodity prices is not expected to have a

persistent effect on the inflation rate nor be sufficient to threaten the economic recovery. However, the current policy of low interest rates to boost economic activity could be affected should inflation continue to be a threat.

Despite these concerns, recent blue chip consensus forecasts of the national economy cite real GDP growth of 3.2% in 2011 and slightly higher 3.3% growth in 2012.



Missouri Economic Outlook

The State of Missouri reported losing a total of 153,800 jobs since the last peak in employment was reached in January, 2008, however consistent with the national trend has seen recent declines in new claims for unemployment. The Bureau of Labor Statistics reports the state's unemployment rate for February, 2011 remains high at 9.4% down only slightly from the peak it reached in the summer of 2009 and higher than the national rate which for February was 8.9%. Despite the weak labor market, personal income was reported to be showing gains near the end of 2010 and there was healthy growth in export activity. Economic activity for the state is projected to increase steadily over the next eighteen months with slow but steady improvement in job growth over the period.

City of St. Louis as Economic Center

The City of St. Louis is at the core of an eleven county metropolitan area covering parts of both Missouri and Illinois, and as such is the employment and entertainment center of an area containing a population of 2.7M residents. It is also the office center of the region with over 24 million square feet of office space. The metropolitan area and the City are major industrial centers in the Eastern Missouri – Southwestern Illinois area with a broad range of industries. Although the distribution of jobs across industry sectors has resulted in a decline in the City's share, the City remains a significant source of employment in the region with nearly 20% of all the jobs. In spite of the economic climate, new investment is still occurring in the City.

Four major downtown mixed-use projects – The Laurel, 600 Washington, Seventh Street Garage, and The Park Pacific – are scheduled for completion in the coming months. These projects total \$350M worth of investment and will result in 420,000 sq. ft. of office space, 165,000 sq. ft. of retail space, 437 residential units, and 212 hotel rooms being renovated or added in the heart of the city. These key projects are expected to create or retain over 1,700 jobs. In addition, two major cultural centers – the Peabody Opera House and the Central Library – are in the process of being renovated at a combined cost of \$158M. Investment is occurring in the industrial and institutional sectors as well. Procter & Gamble is planning a \$150M expansion of their manufacturing plant on the north side of the City, Washington University is completing construction of its new school of engineering, and Barnes-Jewish Hospital is continuing the expansion of its campus with the construction of an 11-story public health clinic. All of this economic development will be supported and enhanced by two major infrastructure projects: the soon to be completed \$34M rebuild of the Tucker Avenue bridge and the construction of the new \$667M Mississippi River Bridge.



City Economic Outlook

The April, 2011 report of the St. Louis Federal Reserve indicated continued modest economic expansion in the region in recent months with increases in manufacturing activity as well as the service sector although at a slower pace than in previous reports. Both home sales and residential construction has continued to decline with home sales in the St. Louis region in February, 2011 declining 8% from the same period a year ago. The unemployment rate in the City as reported by the Bureau of Labor Statistics was at a seasonally unadjusted 11.4% in February, 2011 or not much lower than the same time a year ago. While the rate of unemployment has shown only minor improvement in recent months it is anticipated to decline slowly as the national job picture improves. Retail sales as indicated by sales tax receipts reversed a decline of ten successive quarters in mid 2010 and are up slightly for the fiscal year and payroll spending, despite the weak employment picture have shown positive gains of over 2% through the third quarter of FY11. While prospects for the economic recovery continue to improve, the continued high rate of unemployment and sluggish growth in the housing and commercial real estate markets will remain as constraints on overall growth in the coming fiscal year.

GENERAL FUND OVERVIEW

Sources of Funds

General fund revenues for FY2012 are forecast at \$450M, a decrease of 0.1% over the current year's revised estimate of \$450.6M. After adjusting for about \$6.3M in one-time receipts of telecommunications franchise tax and water franchise tax revenues, adjusted base revenues are projected to increase by about 1.2%. Revenue growth projections for most major tax sources are expected to grow collectively by approximately 1.4%, ranging from a 1% increase in sales taxes to a 1.5% increase in the earnings and property tax receipts. Net decreases can be found in areas such as franchise utility taxes reflecting the aforementioned one-time sources in FY2011, while departmental receipts are projected to increase over 3% due mostly to the first full year of refuse fee collections. These estimates reflect a slow return to growth after several years of decline with prospects of further growth continuing to be constrained by the relatively slow pace of the economic recovery.

Earnings and Payroll Tax

The Earnings tax, the largest single revenue producer, has shown indications of a return to growth after declining about 1.5% after one-time adjustments in the previous fiscal year. Individual withholding taxes were up 2.9% through third quarter of FY2011, suggesting that the recent declines in payrolls have come to an end and providing confirmation of this growth trend. Corporate receipts which represent about 15% of the total have increased nearly 6% over the last 12 months, indicating a significant improvement in corporate earnings although much of those increases have yet to be converted into job growth. Earnings tax receipts in FY2012 are projected to increase 1.5% over the revised FY2011 estimates or about half the long term trend rate. The



Payroll tax, with a slightly different base that is more heavily weighted toward the private sector, has likewise shown modest improvement of about 1.7% through the end of the third quarter with growth expected to more closely follow the earnings tax trend in FY2012.

In November, 2010, voters in the State of Missouri approved a proposition requiring that those cities in the state with an existing earnings tax submit the tax to a retention vote every five years. If not successfully passed, the earnings tax would be phased out over a ten year period. City voters approved the first of these retention votes in April, 2011 with an 88% approval rate.

Property Tax

The year 2011 is a reassessment year and the City's overall assessed value is expected to remain flat at approximately \$4.5 billion. With a modest inflationary increase and consistent delinquent tax collections, property tax revenues in FY2011 are projected to end the year up about 1.7%. In FY2012, with little to no growth in values and only adjustments for inflation, real property tax receipts are projected to increase a 1.5% for the year. Personal property tax receipts have continued to trail real property receipts and are expected to decline over 6% in the current fiscal year. With some improvement in personal consumption expenditures particularly automobile sales over the past year, personal property receipts are projected to remain flat in FY12.

Sales Tax

Sales tax receipts reversed a successive decline of ten calendar quarters in mid 2010. Since that time returns have been mixed with successive quarters alternating between increases and declines. Through ten months of the fiscal year, sales tax receipts are up 3.2% although receipts are projected to end the year up approximately 1.0% over FY2010 receipts. The sales tax has consistently been more vulnerable to declines in economic activity and the overall growth rate has remained below 1% per year. Projections for FY2012 continue to forecast a growth in sales tax receipts of 1% for the year.

Intergovernmental Revenues

Revenues from the state of Missouri representing the city's share of state automobile sales taxes have continued to improve in FY2011 where receipts are expected to finish the year up slightly at \$2.9M. Gasoline tax revenues which are based on a statewide tax and ultimately distributed to local government units typically does not show much growth from year to year and receipts are expected to remain flat at \$9.8M in FY2012. Receipts from the state for prisoner reimbursements declined to \$5.8M in FY2011 reflecting a full year's impact of the reduction in the reimbursement rate to \$19.58 per day from the previous rate of \$21.25 and a slight decline in inmate population. The per diem reimbursement rate remains far less than the actual cost of holding inmates at the City's two detention facilities. No increases in these receipts are anticipated in FY12.

**Franchise Utility Taxes**

In the Franchise Tax category, telecommunications tax receipts are estimated to increase in FY2011 to a total of \$21.4M due to the settlement of the final outstanding case regarding telecommunications receipts. In FY2012, telecommunication tax revenues are projected to settle in at a recurring base of approximately \$17.3M. Of this amount, \$13.5M will continue to be deposited into the employee pension trust fund to be used to pay for costs associated with City employee pensions. In other franchise receipts, recent increases in electric rates as well as an extraordinary hot summer in 2010 have contributed to a 17% rise in electric franchise tax receipts in FY2011. While Ameren U.E. has petitioned for another increase in the coming year this request has yet to be approved. Meanwhile, FY2011 receipts cover a period which had an increase of 40% in the number of cooling degree days over the previous year and 20% over the previous 5 year average. FY2012 estimates assume a decline in electric utility receipts of about 5% assuming more normal weather patterns. Meanwhile, the decline in natural gas rates has left natural gas tax receipts down about 7% through the third quarter of the fiscal year. Estimates for natural gas receipts remain over the next fiscal year. Any increases in rates as well as business activity and of course weather factors will have an impact on actual results. Gross receipts revenues from sales of water in FY2011 contain approximately \$1.4M in payments that were due from the previous fiscal year. As a result, receipts in FY2012 are projected to decline just over 20% or this same \$1.4M amount as base Water revenues are projected to remain flat over the period.

Tourism and Amusement Taxes

Restaurant and hotel tax receipt totals have both shown increases in the past fiscal year. Restaurant tax receipts were up 3.8% through the third quarter of the fiscal year with hotel tax receipts rising by 3.2% over the same period. Projections for FY2012 have restaurant and hotel tax receipts continuing to grow at 2.5% and 3.0% respectively. Amusement tax receipts declined by nearly half in the current fiscal year, reflecting the elimination of receipts from professional hockey and other events taking place at Scottrade Center as part of the Peabody Opera house development agreement. In FY2012, amusement tax receipts are projected to total close to \$1.5M. The majority of these receipts remain tied to revenue from NFL football games and will be vulnerable should there be a disruption in the professional football schedule as a result of the current impasse in the NFL labor dispute.

Other License Fees

Cigarette taxes have continued a trend of decline and are down 8.5% through the third quarter of FY2011. This trend is projected to continue into the next fiscal year with FY2012 with receipts estimated at \$1.5M, anticipating a further decline of 5%. The largest category of license fees remains the graduated business license (GBL). The previous fiscal year saw GBL receipts decline by an additional 1% to total \$7.2M. Given the timing of receipts, mostly in May and June, results for the current fiscal year are somewhat tentative, however



estimated receipts are expected to remain at these reduced levels pending a stronger recovery in the job market.

Departmental Receipts

Revenues derived from service fees and fines collected by various City Departments were up approximately 18% through the third quarter of FY2011 due primarily to the \$7.8M in revenues received to date from the City's new refuse collection fee. With receipts now estimated to total \$10.6M in FY11, these receipts are the largest of a number of new revenue initiatives institutes in FY2011 to address the significant budget gap. Some of these initiatives, such as a \$2.5M increase in EMS revenues through contractual collection agreements and the \$2M in new failure to appear fines at City courts were not realized in FY2011. However, other scattered increases in fees ranging from street blocking permits, to those related to revisions in building codes, air pollution monitoring and food inspections have produced additional department revenues that are expected to total \$1.4M in FY2011. In FY2012, departmental receipts are projected to increase by 3.8% led in part by the first full year of receipts of refuse fees which are estimated to total \$12.6M. Despite the continued sluggishness in the housing market, a number of commercial developments are expected to boost building permit revenue by \$700,000 over revised FY2011 estimates. Offsetting these increases is an anticipated decline in cost allocation payments from the Water Division after one-time payments of about \$700,000 due from FY2010 were made in the current fiscal year. An important component of the effort to address the projected budget gap for FY2011 and continuing into FY2012 was to review the existing fees that departments charge for various City services. Since these fees do not necessarily grow with inflation, over time they are prone to fall behind the costs of providing the services they are designed to capture. It will be necessary from time to time to update the City's fee structure so that these services remain adequately supported in the future.



USES OF FUNDS

The FY2012 general fund budget is proposed at \$450.0M, a decrease of 0.3% from the budget for FY2011. The following are some of the highlights of the proposed general fund budget and methods for addressing declining associated revenues.

Employee Pay and Benefits

Approximately 75% of the general fund budget is related to salary and benefit costs of employees. Recent budgets therefore have necessarily included reductions in the City workforce as well as measures to offset the rising costs of pensions and other benefits. The FY2012 proposed general fund budget includes a net reduction of 60 positions and due to continued budget pressures assumes no increases in salaries. A salary savings reduction of 3.5% or approximately \$4.0M has been included in most departments' budgets to offset recent increases in the cost of employee pension and health benefits. In the past fiscal year, cost saving initiatives included employee furloughs of five days for general employees and ten days for management employees. Measures to be employed in FY12 will be determined through pay plan negotiations. The largest contributing factor to the rise in compensation costs remains employee pensions. In FY2012, the general fund share of the costs of the City's three pension systems will increase by a total of \$3.4M. There was a proposal before the state legislature that would allow for the Fire Retirement system to switch methodologies in valuing its current retirement system. The method, known as Entry Age Normal (EAN), would reduce the FY2012 overall contribution to FRS by \$5.8M of which \$5.2M is the general fund portion. Of this \$5.2M amount, \$3.8M had been utilized in the FY2012 budget to keep overall costs of the Fire Department from increasing while the remaining \$1.4M will remain appropriated if needed as payment to the Fire Retirement system. In the event the legislation did not pass, the difference was to be paid to FRS over a 5 year period. As it turned out, the legislation was not adopted thus triggering the 5 year agreement. It is important to note however, that although the EAN method is a more common method for pension valuations, this proposed switch in valuation method does not produce actual cost savings as the City's contributions will increase in future years. True cost savings through reform of the Fire retirement pension system will continue to be pursued as a means to avoid these rising costs. The Police Department will likewise be implementing steps to offset the costs of their pension increases in FY2012.

Police and Public Safety

The Police Department and other departments of Public Safety represent about 56% of the total general fund budget. The Police Department at \$144.1M in operating and pension costs represents over 32% of the budget and is the largest component unit of Public Safety. In FY2012, the Police Department with the continued assistance of a hiring grant for 50 officers received as part of the American Recovery and Reinvestment Act of



2009 (ARRA) will maintain its authorized uniformed officer strength at 1,345 officers. With the late April award of a Staffing for Adequate Fire and Emergency Response (SAFER) grant, the Fire Department was able to rehire 29 firefighters that were laid off early in the fourth quarter of FY2011 due to budget reductions. The SAFER grant award totals \$3.2M over a two year period. Meanwhile with continued changes in scheduling and availability, the Fire Department budget assumes continued attrition to result in an overall uniformed strength of 586 firefighters by the end of the fiscal year. This would be a total reduction of 45 firefighters from the previous authorized strength of 631 uniformed firefighters from two years ago.

The Division of Corrections anticipates continued operations with a census population of inmates at both the City Justice Center and Medium Security Institution hovering around 1,400. While total costs will remain comparable to the current fiscal year at \$32M, efforts will continue to generate potential cost savings through the exploration of alternative sentencing and electronic monitoring programs.

Judicial Offices and County Offices

With only one scheduled City wide election in the next fiscal year, the presidential primary currently scheduled for February of 2012, the Board of Elections budget will decrease by approximately \$700,000. The Circuit Court offices including Juvenile Detention have reduced costs totaling approximately \$0.8M. Increases in contractual services for custodial and maintenance contracts have been offset by a reduction of three positions and reduced salary costs of the Juvenile Division. The FY2012 budget proposes a General Fund subsidy for the Drug Court, after funding the program through crime prevention funds of the ½ cent public safety sales tax in FY2011. A number of positions have been reduced in Judicial Offices with the budget for the Office of the Circuit Attorney reduced by three positions, the Sheriff by two and the City Marshal by one. City Courts will continue efforts initiated in the previous fiscal year to reduce operating costs of REJIS (Regional Justice Information System) and has budgeted a \$40,000 reduction in this expense.

City Wide Accounts

City-Wide Accounts refers to those items that are not department specific. These include payments for debt service on the outstanding debt of the City's convention center as well as payments to the Capital fund for other existing lease debt obligations. With the assistance of continued reallocations in ½ cent sales tax revenues within the capital fund as well as such revenue sources as the \$3.2M from the sale of the City owned building at 634 N. Grand, the City's general fund debt obligations which would otherwise have increased, will remain constant at \$26.6M in FY2012. The subsidy for the office of the Assessor which anticipates increased reimbursements from the state will decline by \$250,000. Otherwise most other city wide accounts will remain fixed at previous fiscal year levels.



Parks Department

In the Department of Parks, Recreation and Forestry, the department will see a reduction of a total of 6 positions. Most of these positions are in the Parks Division and will impact park keeping crews. Per performance seasonal employees will remain budgeted at current year levels. The Forestry Divisions plans to maintain its schedule of service rotations for vacant building and lots to 4 and 8 respectively during the growing season. An increase of approximately \$200,000 in per performance seasonal employee salaries to support 8 additional two-person trim crews will allow Forestry to address increased demand for trimming in vacant lots. The Parks Division will see a reduction in its ball field maintenance crews and patrol capabilities, however its schedule of maintaining service rotations for parks at every two weeks during the peak growing season will continue. The City's subsidy toward Tower Grove Park has also been reduced by \$10,000 or about the same reduction in percentage terms as the cost of the Parks Department.

Street Department

The City Refuse Division of the Department of Streets will be implementing the second year of its \$3M recycling and enforcement program. These funding for these efforts was made possible through collection of the new refuse collection fee. In FY11, the Refuse Division distributed nearly 2,900 new blue recycling bins and 4,000 roll out carts for recycling throughout City neighborhoods. In addition, more than 40 cameras have been deployed to address illegal dumping in neighborhoods where dumping has been identified as a significant problem. An additional \$2.8M will be allocated to complete this effort in FY12. In addition to the positive environmental impacts of recycling, the cost of landfill disposal declines with every ton of waste that is recycled and removed from the City's waste stream. Elsewhere in the Department of Streets, the Street Division will see an increase of \$590,000 to replenish its road salt supply after experiencing a particularly harsh winter season.

Health and Human Services

The Health and Human Services departments are funded primarily with local use tax special revenues and grant funds and thus do not represent a significant portion of the general fund budget.

Board of Public Service

The Board of Public Service has responsibility for providing engineering services as well as maintaining and servicing the City's public buildings and rolling stock fleet. The City's Equipment Services Division of the Board of Public Service purchases approximately 1.3M gallons of fuel annually to keep City service vehicles running. The rising cost of fuel in the past year along with the continued deferral of equipment replacement and resulting need for repair has led to increases in costs of these support services. The Equipment Services Division budget will rise \$1.3M in FY2012 to address these increased fuel and equipment repair costs. In



FY2012, Facilities Management Division will begin implementing a number of initiatives related to improving energy efficiency of municipal buildings. A \$35,000 energy efficiency grant from Ameren U.E. is helping with an evaluation of energy usage at the City Justice Center while a recent award of \$3.7M in energy efficiency and conservation block grant funds will be utilized to improve operations at both City Hall and the Carnahan Courthouse. As in the previous fiscal year, it is proposed that \$590,000 in utility costs for facilities within Forest Park be charged to the Forest Park Fund.

General Government and Finance

Along with other City departments, general government and finance departments have continued to look toward reductions in operating costs with a total net reduction of six general fund positions in FY2012. The Department of Personnel is eliminating a vacant human resources specialist position, and the City Counselor's office is reducing its legal support staff by two positions. In addition to a position reduction, the Comptroller's office, which pays the City's sewer bill, is expected to see a decline in the budget for this expense of \$350,000.

The combination of expenditures reductions as well as new sources of revenue and revenue reallocations contained within this annual operating plan is designed to produce a general fund budget that while preserving core City services remains balanced both in the next fiscal year as well as into the future.

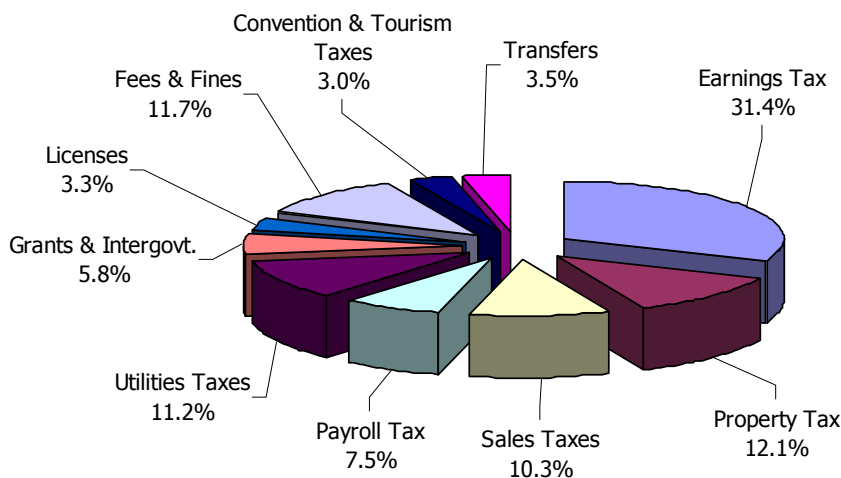


FY2012 General Fund Budget Highlights

- \$12.6M in gross revenue from first full year of refuse collection service fees with \$2.8 allocated toward 2nd year of recycling and enforcement efforts
- \$4M in salary savings equivalent to 3.5% of salary costs to offset general employee pension and other payroll cost increases
- \$1.6M in proceeds from the first year of a two year \$3.2M Fire Dept. SAFER grant for funding 29 firefighter positions.
- Police to maintain total of 1,345 authorized uniformed officer total while offsetting \$2.5M increase in pension costs
- \$3.8M from proposed change in Fire Retirement valuation method used to offset increase in City contributions
- \$590,000 increase in Street Division budget to replenish road salt supply following harsh winter season
- \$350,000 reduction in City sewer bill costs paid through the Comptrollers Office
- \$250,000 decrease in Assessor subsidy with projected increase in State reimbursement revenue
- \$400,000 reduction in general government administrative offices
- \$700,000 net decrease in costs of the Election Board for administering due to reduced election schedule
- \$0.6M net reduction in Circuit Court operations
- \$300,000 reduction in other judicial offices including Circuit Attorney, Sheriff, City Courts and City Marshal
- \$250,000 reduction in park keeping and park patrol operations
- \$210,000 in drug court subsidy to be funded with General Fund
- \$1.3M increase in operating funds of the Equipment Services Division to meet rising fuel and repair costs
- Net decrease of 60 general fund positions

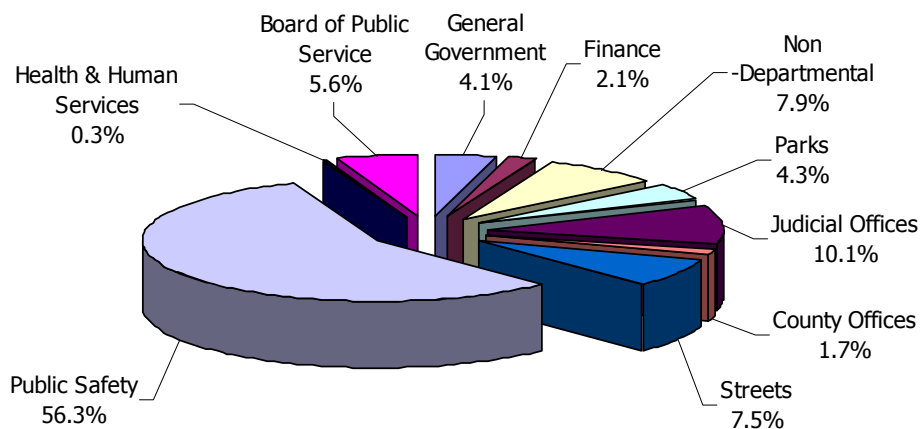


FY2012 General Fund Revenues



Total General Fund Revenues = \$450.0 Million

FY2012 General Fund Budget by Department



Total General Fund Budget = \$450.0 Million



PROJECTED OPERATING RESULTS

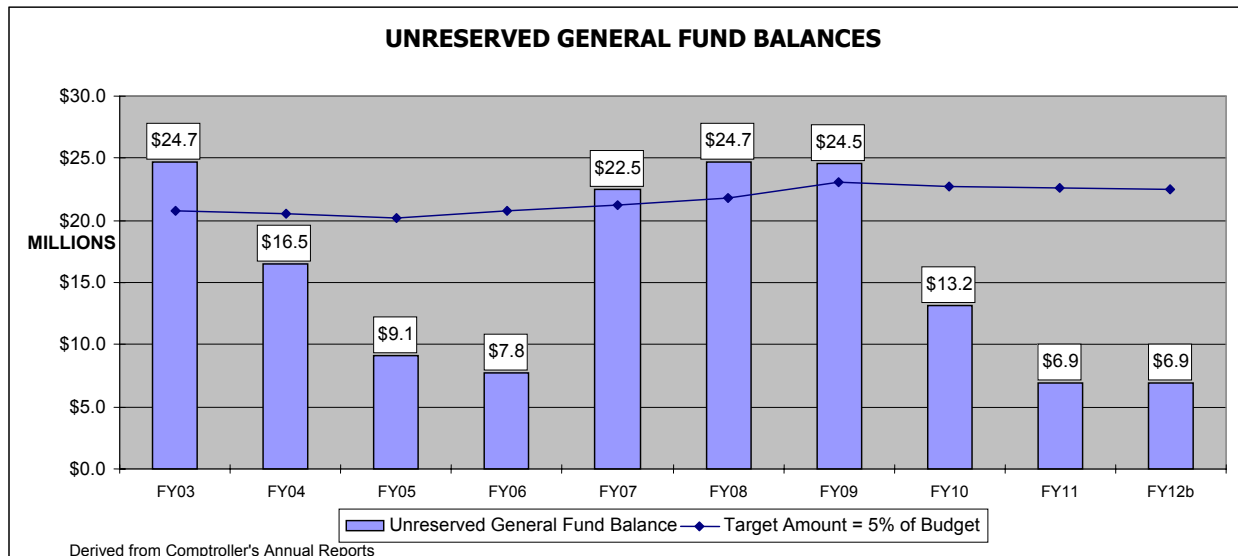
GENERAL FUND

The adjacent table presents the projected general fund operating results for FY2012. The proposed general fund appropriation is balanced at \$450.0M and does not rely on any draws from the unreserved general fund balance. In recent years due to budget shortfalls, the unreserved balance has fallen below its target amount of 5% of the budget. Despite shortfalls in some revenues in FY2011, other one-time sources and reductions in discretionary spending during the year should be sufficient to result in a close to break-even close to the current fiscal year. Therefore it is not anticipated that any further draws upon reserves will be necessary.

FY2012

General Fund Projected Operating Results

Estimated Revenue	\$450,008,592
General Fund Appropriation	450,001,054
Operating Balance	<u>\$ 7,538</u>





OTHER FUNDS

While much of the budgetary focus is placed on discretionary spending of the General Fund, the operating balances of other funds can also have an impact on budget development.

Special Funds

In the Special Funds category, aided in part by an increase in the sales tax rate that became effective at the beginning of the fiscal year, Local Use Tax revenues deposited to the **Local Use Tax Fund** are expected to show an increase of about 7% in FY11. Total receipts are estimated at \$27.2M and projected to remain flat in FY2012. The previous year's decline in use tax receipts has had an impact on the general fund budget as more of the burden of services funded with excess use tax funds depends upon general revenue support. Appropriations in the Local Use tax fund will decline by \$0.4M in FY12 as the budget continues to work out of a deficit in the excess use tax fund from FY10. With an expected increase in reimbursements from the state the general fund subsidy to the **Assessment Fund** is budgeted to decline by \$290,000. Revenues from gross receipts from cable and other video service providers, paid into the **Communications Fund** are expected to rise approximately \$200,000 over receipts in the previous year. In addition to funding operations of the City's public access channel, the Communications Fund appropriates all excess revenues as a supplement to general revenue. In FY2011, **Gaming Fund** revenues have seen a decline of close to \$2M with the closure of the President Riverboat casino in July of 2010. Revenue at Lumiere Casino on the Landing has also declined following the opening of a competing facility in near South County. As part of the development agreement of the county facility, Pinnacle Casinos which owns both facilities is to pay the City \$1M per year and the first of these payments was received in January, 2011, offsetting most of the decline in Lumiere receipts. Total gaming fund appropriations will decline by approximately \$450,000 in FY2012, reflecting the expenditure of previous fund balances and a new slightly lower revenue base.

Enterprise Funds

In the Enterprise Funds, the **Water Division** continues to see increases in the cost of water production while at the same time many large users have reduced consumption. The budget for the Water Division in FY2012 will decline by \$4.9M or 8.5% and will see a net reduction of twenty positions. These efforts are geared toward reducing operating costs so as to minimize the need for future rate increases. The budget for the **Airport** at \$171.3M is an increase \$8.9M or 5.5%. Most of this increase can be found in the cost of servicing various debt agreements and the Airport is supplementing its normal revenues with a draw of \$13.7M in rate mitigation reserves.

With no projected shortfalls from sales tax receipts in FY2011, the **Capital Fund**, which receives a major portion of its revenues from the ½ cent capital sales tax and the 1/10 cent Metro Parks sales tax, will not need to address any prior year deficit amounts in FY2012.



CAPITAL IMPROVEMENTS

The City of St. Louis Capital Committee has developed a five-year Capital Improvements Plan containing projects that have an estimated cost of \$320M. These projects will be funded through a combination of local, state and federal funds. Over the five year period, an estimated \$217M will be appropriated for cash payments and debt service requirements and in some cases the local matching share for road and bridge repair projects and major flood protection projects. The FY2012 Capital Budget funds the first year of the plan with a recommended appropriation of \$34.9M. This is an increase of \$9.8M from the prior year. Given the significant challenge in balancing the City's general fund budget, a total of \$3.5M in ½ cent capital sales tax revenues from ward, major parks and recreation center accounts is proposed to be reallocated to offset existing debt payment obligations of the general fund. An additional \$2.6M in debt service payments will be offset with available bond funds that have been released but remain restricted for debt service purposes. Other revenues supporting the capital budget include \$5.9M from projected gaming revenues, \$1.4M in courthouse restoration fees, \$630,000 in gasoline tax revenue, \$3.2M from the sale of the City owned building at 634 N. Grand and \$350,000 in projected proceeds from the sale of miscellaneous City assets.

Capital expenses planned for FY2012 include those for projects designed to further the City's goal of stabilizing neighborhoods as well as increasing the efficiency of service delivery through replacement of vital equipment required to deliver those services. Funding policy established by the Capital Committee sets a high priority on leveraging non-city funds to the maximum extent possible to effect major improvements to roads and bridges.

Ward Improvements - \$5.8M

Each of the City's 28 wards will be allocated \$207,723 in FY2012 ½ cent sales tax revenues. With the previously mentioned reallocation, this represents 75% of a normal year's allocation. These funds will be allocated for projects such as neighborhood park improvements, street resurfacing, sidewalk replacement, and refuse container replacement. Actual projects are recommended by the ward alderman subject to approval by the Board of Estimate and Apportionment.

Parks and Recreation Centers - \$3.2M

The City's six major parks, Forest Park, Tower Grove, Carondelet, Fairgrounds, O'Fallon and Willmore will share \$2.3M in ½ cent sales tax and metro parks improvement tax funds. Planned projects include roadway repairs, equipment replacement and improvements to playgrounds. Of this total Park allocation, \$926,400 in Metro parks funds will be allocated to neighborhoods parks for similar capital improvements.



Facility Improvements - \$19.3M

Funds categorized as being for facility improvements will service previously incurred debt for construction and renovations of several City facilities. Major facilities include the City Justice Center, Civil Courthouse and Carnahan Courthouse buildings, the Juvenile Detention Center as well as the renovated City building at 1520 Market St.

Equipment Replacement - \$4.0M

\$4.0M has been allocated to service debt payment requirements of existing rolling stock lease agreements necessary to replace vehicles in such areas as refuse collection, street cleaning, and animal regulation functions. In FY2009, a line of credit was obtained and has been used for a replacement of rolling stock up to a pre-set credit limit. In FY2012, a planned lease debt issue of up to \$10M is planned for improvements to the municipal building at 1520 Market including renovations of the 2nd floor to accommodate the relocation of the St. Louis Development Corporation, elevator replacements and needed improvements to the entry plaza.

MAJOR FUND TYPES

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions are financed. Governmental fund categories include:

General Fund - the City's main operating fund through which the majority of City services such as police and fire protection, emergency medical services, and parks and streets maintenance are funded. Most tax receipts and other revenues not required to be accounted for in another fund are considered general revenue. General Fund expenditures account for about one-half of all City expenditures.

Special Revenue Funds - used to account for specified taxes, fees, grants or other sources of revenue that are dedicated by ordinance for a specific purpose. Funds contained in this category include government grants, the Local Use Tax Fund, the Convention and Tourism Fund, Gaming Fund, Assessment Fund, Lateral Sewer Fund, Tax Increment Financing Funds, Transportation Fund and other miscellaneous special funds.

Debt Service Fund - used to account for revenues and expenses related to the City's existing general obligation (property tax supported) debt.



Capital Project Funds – used to account for revenues and expenditures related to capital equipment purchases, public infrastructure improvements or public projects. The sources of capital funds vary from a dedicated ½ cent sales tax, to proceeds from bond issues and appropriations from the general fund.

PROPRIETARY FUNDS

Proprietary funds are used to account for activities that are similar to those found in the private sector. Proprietary fund categories include:

Enterprise Funds – used to account for funds operated similar to private business type activities; this would include the Airport and City Water Division. The Meter Division is also operated as an enterprise fund and is separately appropriated.

Internal Service Funds - used to account for activities that provide services for certain City programs and operations. These include the City mailroom, workers' compensation and employee health insurance programs.

FIDUCIARY FUNDS

Fiduciary Funds are used to account for resources held for the benefit of individuals or units outside of the City. The City serves as a trustee or has fiduciary responsibilities for the assets. These include the City's various pension funds. While contributions to these funds are appropriated, the activities of the funds themselves are not part of the appropriation process.

Detailed descriptions of funds within each of these fund groups can be found in the glossary in the Appendix of this document.

The tables on the following pages contain summary budget information for all funds. A more detailed discussion of the general fund budget and descriptions of trends in major sources of revenue follow.

FY12 REVENUE SUMMARY - ALL FUNDS (in millions)

	FY10 Actual	FY11 Revised	FY12 Budget	% Change FY11-12
<u>General Fund</u>				
Earnings Tax	\$143.6	\$139.1	\$141.2	1.5%
Property Tax	52.8	53.7	54.6	1.6%
Sales Tax	45.5	46.0	46.5	1.0%
Payroll Tax	33.0	33.5	33.9	1.3%
Franchise (Utilities) Taxes	46.2	57.7	50.6	-12.3%
License Fees	17.0	15.0	14.7	-2.1%
Grants & Intergovernmental Revenues	25.8	25.8	26.3	2.0%
Department User Fees and Fines	41.3	50.7	52.7	4.0%
Transfers	28.7	29.1	29.5	1.2%
	433.8	450.6	450.0	-0.1%
<u>Special Revenue Funds</u>				
Property Tax	1.9	1.8	1.8	2.3%
Franchise (Utilities) Taxes	4.9	5.0	5.1	1.0%
Local Use Tax	25.5	27.2	27.2	0.0%
Sales Tax	20.3	20.8	21.0	1.0%
Other Taxes	18.3	17.5	15.8	-9.7%
Grants & Intergovernmental Revenues	73.8	75.3	77.0	2.2%
Department User Fees and Fines	23.7	25.8	26.0	0.8%
Transfers	0.0	3.5	3.2	-8.7%
Fund Balances and Other Resources	5.4	16.1	8.4	-48.0%
	173.8	193.0	185.4	-3.9%
<u>Debt Service Fund</u>				
Property Tax	4.8	5.7	5.7	-0.1%
<u>Capital Improvement Funds</u>				
1/2 Cent Sales Tax	16.5	16.5	16.6	0.9%
Metro Parks Sales Tax	1.5	1.5	1.5	0.9%
Grants & Intergovernmental Revenues	0.6	0.6	0.6	0.0%
Department User Fees and Fines	1.4	1.4	1.4	0.0%
Transfers	11.0	8.7	11.0	26.9%
Other Resources	0.1	0.4	3.8	976.3%
Balances / Surpluses Previous Years	0.0	-0.4	0.0	-100.0%
	31.2	28.6	34.9	22.0%
<u>Enterprise Funds</u>				
Franchise (Utilities) Taxes	3.4	6.6	5.2	-21.2%
Enterprise Revenues	210.3	210.0	226.8	8.0%
	213.7	216.6	232.0	7.1%
<u>Internal Service Funds</u>				
Department User Fees and Fines	38.8	39.8	39.2	-1.6%
Total General Appropriation	\$896.1	\$934.3	\$947.2	1.4%
<u>Funds Appropriated Separately</u>				
Community Development & Housing Grants ¹	\$27.2	\$19.3	\$17.8	-7.4%
Street Improvement Fund	4.3	4.5	4.7	4.1%
Transportation Fund Revenues	25.2	32.5	33.8	4.2%
Parking Division Revenues	16.0	13.5	13.9	3.0%
	72.7	69.7	70.2	0.7%
Total All Sources	\$968.8	\$1004.0	\$1017.4	1.3%

¹ Excluding CDBG in general appropriations

FY12 BUDGET SUMMARY - ALL FUNDS (in millions)

	FY10 Actual	FY11 Budget	FY12 Budget	% Change FY11-12
<u>General Fund</u>	\$437.5	\$451.2	\$450.0	-0.3%
<u>Special Revenue Funds</u>				
Assessment Fund	4.3	4.0	3.9	-2.2%
Convention and Tourism Fund	4.5	4.6	4.7	1.3%
Public Safety Trust Fund	19.6	19.1	19.5	2.3%
Neighborhood Parks Fund	7.2	8.6	8.8	2.1%
Convention and Sport Facility Trust Fund	6.9	6.1	6.7	10.0%
Lateral Sewer Fund	3.1	3.1	2.8	-10.6%
Cable Communications Fund	1.6	1.0	0.9	-6.0%
Port Authority	3.2	2.7	2.1	-24.2%
Riverfront Gaming Fund	16.9	11.5	11.1	-3.9%
Local Use Tax Fund	29.7	25.4	25.0	-1.6%
Other Special Revenue Funds	36.4	44.2	33.8	-23.5%
	133.5	130.2	119.2	-8.5%
<u>Grant Funds</u>				
St. Louis Agency on Training and Employment	14.9	10.0	9.7	-3.3%
Community Development (excl. separate approp.)	9.5	9.3	8.0	-14.0%
Health and Human Services	27.8	31.0	30.9	-0.2%
Police Department	7.0	9.2	10.3	12.6%
Other Grants	4.9	2.5	4.2	69.9%
	64.2	62.0	63.2	1.9%
<u>Debt Service Fund</u>	5.7	5.7	5.7	0.0%
<u>Capital Funds</u>	35.1	28.6	34.9	22.0%
<u>Enterprise Funds</u>				
Water Division	45.7	57.6	52.7	-8.6%
Airport Authority	184.3	162.4	171.3	5.5%
	230.0	220.0	224.0	1.8%
<u>Internal Service Funds</u>				
Mail Room	0.6	0.8	0.8	0.2%
Employee Benefits Fund	38.4	39.1	39.8	1.9%
	39.0	39.9	40.7	1.9%
Total General Appropriation	\$945.0	\$937.6	\$937.6	0.0%
<u>Funds Appropriated Separately</u>				
Community Development & Housing Grants ¹	\$27.2	\$19.3	\$17.8	-7.4%
Street Improvement Fund	4.3	4.5	4.7	4.1%
Transportation Fund Revenues	25.2	32.5	33.8	4.2%
Parking Division Revenues	16.0	13.5	13.9	3.0%
	72.7	69.7	70.2	0.7%
Total All Sources	\$1017.7	\$1007.3	\$1007.8	0.0%

¹ Excluding CDBG admin. portion

FY12 BUDGET SUMMARY - ALL FUNDS BY DEPARTMENT

Dept. #	Department	General Fund	Special Funds Revenue	Grant	Enterprise Funds	Total Funds
<u>GENERAL GOVERNMENT</u>						
110	Board of Aldermen	2,755,939	-	-	-	2,755,939
120	Mayor's Office	1,722,845	-	-	-	1,722,845
121	St. Louis Agency on Training and Emp.	-	-	9,595,373	-	9,595,373
123	Department of Personnel	2,751,510	117,976	-	-	56,345,340
	Employee Benefits Fund	-	39,975,854	-	-	-
	Employee Pension Trust Fund	-	13,500,000	-	-	-
124	Register	167,520	-	-	-	167,520
126	Civil Rights Enforcement Agency	297,357	-	169,966	-	467,323
127	Information Tech. Service Agency	5,325,930	-	-	-	5,325,930
137	Budget Division	418,607	-	-	-	418,607
139	City Counselor	5,045,038	805,019	854,086	-	6,704,143
141	Planning and Urban Design	113,807	-	1,521,034	-	1,634,841
142	Comm. Development Administration	-	-	3,336,692	-	3,336,692
143	Affordable Housing Commission	-	4,522,730	-	-	4,522,730
	Subtotal	18,598,553	58,921,579	15,477,151	-	92,997,283
<u>FINANCE</u>						
160	Comptroller	7,392,886	-	-	-	24,622,128
	Gateway Transportation Ctr.	-	1,241,307	-	-	-
	Lateral Sewer Fund	-	56,981	-	-	-
	Tax Incremental Financings	-	1,390,540	-	-	-
	Trustee Lease Fund	-	8,396,119	-	-	-
	Grant and Other Funds	-	5,690,266	454,029	-	-
162	Municipal Garage	294,026	-	-	-	294,026
163	Microfilm	319,161	-	-	-	319,161
170	Supply Commissioner	648,492	-	-	-	648,492
171	Multigraph	817,485	-	-	-	817,485
172	Mail Room	-	809,207	-	-	809,207
180	Assessor	-	3,932,461	-	-	3,932,461
	Subtotal	9,472,050	21,516,881	454,029	-	31,442,960
<u>NON-DEPARTMENTAL</u>						
190	City Wide Accounts	35,686,685	-	-	-	47,038,685
	Convention and Tourism Fund	-	4,662,000	-	-	-
	Riverfront Gaming Fund	-	6,690,000	-	-	-
	Subtotal	35,686,685	11,352,000	-	-	47,038,685
<u>PARKS, RECREATION & FORESTRY</u>						
210	Dir. Parks, Recreation, and Forestry	482,114	7,477,368	-	-	7,959,482
213	Division of Recreation	1,475,781	-	94,732	-	1,570,513
214	Division of Forestry	7,188,948	248,812	-	-	7,437,760
215	Operation Brightside	-	-	292,184	-	292,184
220	Division of Parks	9,484,922	2,599,712	-	-	12,084,634
225	Soulard Market	226,623	-	-	-	226,623
250	Tower Grove Park	684,450	-	-	-	684,450
	Subtotal	19,542,838	10,325,892	386,916	-	30,255,646
<u>JUDICIAL OFFICES</u>						
310	Circuit Clerk	911,881	-	-	-	911,881
311	Circuit Court	7,154,412	-	-	-	7,154,412
312	Circuit Attorney	6,636,796	2,844,696	1,061,743	-	10,543,235
313	Board of Jury Supervisors	1,381,957	-	-	-	1,381,957
314	Probate Court	48,090	-	-	-	48,090
315	Sheriff	8,754,368	-	-	-	8,754,368
316	City Courts	2,556,312	12,500	-	-	2,568,812
317	City Marshal	1,351,653	-	-	-	1,351,653
320	Probation and Juvenile Detention	16,288,904	350,702	373,583	-	17,013,189
321	Circuit Drug Court	210,545	-	-	-	210,545
	Subtotal	45,294,918	3,207,898	1,435,326	-	49,938,142

FY12 BUDGET SUMMARY - ALL FUNDS BY DEPARTMENT

Dept. #	Department	General Fund	Special Revenue	Funds Grant	Enterprise Funds	Total Funds
<u>COUNTY OFFICES</u>						
330	Tax Equalization Board	12,400	-	-	-	12,400
331	License Collector	-	6,680,000	-	-	6,680,000
333	Recorder of Deeds	2,619,409	-	-	-	2,619,409
334	Board of Election Commissioners	2,487,652	-	-	-	2,487,652
335	Medical Examiner	1,836,959	-	225,000	-	2,061,959
340	Treasurer	699,595	-	-	-	699,595
	Subtotal	7,656,015	6,680,000	225,000	-	14,561,015
<u>PUBLIC UTILITIES</u>						
401	Communications Division	-	931,593	-	-	931,593
415	Water Division	-	-	-	52,580,833	52,580,833
420	Airport Authority	-	-	-	171,251,929	171,251,929
	Subtotal	-	931,593	-	223,832,762	224,764,355
<u>STREETS</u>						
510	Director of Streets	938,993	-	-	-	3,351,239
	Lateral Sewer Fund	-	2,412,246	-	-	-
511	Traffic and Lighting	8,306,905	-	-	-	8,306,905
513	Auto Towing and Storage	1,519,918	-	-	-	1,519,918
514	Street Division	6,731,268	390,095	-	-	7,121,363
516	Refuse Division	16,474,982	762,480	363,407	-	17,600,869
520	Port Authority	-	2,068,000	-	-	2,068,000
	Subtotal	33,972,066	5,632,821	363,407	-	39,968,294
<u>PUBLIC SAFETY</u>						
610	Director of Public Safety	645,632	1,000,000	255,000	-	1,900,632
611	Fire Department	48,442,781	775,000	1,589,004	-	50,806,785
612	Firefighter's Retirement System	16,950,473	5,500,000	-	-	22,450,473
614	Office of Special Events	164,745	-	-	-	164,745
616	Excise Commissioner	404,840	-	-	-	404,840
620	Building Commissioner	7,075,429	6,291,619	931,959	-	14,299,007
622	Neighborhood Stabilization	2,471,265	-	127,251	-	2,598,516
625	CEMA	274,086	-	-	-	274,086
632	Medium Security Institution	14,859,527	-	-	-	14,859,527
633	City Justice Center	17,933,376	-	-	-	17,933,376
650	Police Department	126,631,000	14,080,628	10,349,696	-	151,061,324
651	Police Retirement System	17,494,034	5,500,000	-	-	22,994,034
	Subtotal	253,347,188	33,147,247	13,252,910	-	299,747,345
<u>HEALTH AND HOSPITALS</u>						
700	Director, Health and Hospitals	-	1,793,765	1,306,615	-	3,100,380
710	Health Commissioner	-	328,258	-	-	328,258
711	Communicable Disease Control	-	1,657,582	9,674,556	-	11,332,138
714	Animal Care and Control	-	1,015,826	10,714	-	1,026,540
715	Environmental Health Services	-	1,670,047	1,289,895	-	2,959,942
719	Family/Community/School Health	-	849,916	562,789	-	1,412,705
737	Health Care Trust Fund	-	5,000,000	-	-	5,000,000
	Subtotal	-	12,315,394	12,844,569	-	25,159,963
<u>HUMAN SERVICES</u>						
800	Director of Human Services	1,258,570	889,917	18,760,447	-	20,908,934
	Subtotal	1,258,570	889,917	18,760,447	-	20,908,934
<u>BOARD OF PUBLIC SERVICE</u>						
900	President, Board of Public Service	2,410,100	712,169	-	-	3,122,269
903	Facilities Management	9,989,348	-	-	-	9,989,348
910	Equipment Services Division	12,632,494	-	-	-	12,632,494
930	Soldier's Memorial	140,229	-	-	-	140,229
	Subtotal	25,172,171	712,169	-	-	25,884,340

FY12 BUDGET SUMMARY - ALL FUNDS BY DEPARTMENT

Dept. # Department	General Fund	Special Funds Revenue	Grant	Enterprise Funds	Total Funds
CAPITAL IMPROVEMENTS FUND	-	34,920,998	-	-	34,920,998
DEBT SERVICE FUND	-	5,690,266	-	-	5,690,266
TOTAL BUDGET	\$450,001,054	\$206,339,387	\$63,105,023	\$223,832,762	\$937,587,960

FY12 BUDGET SUMMARY - ALL DEPARTMENTS BY FUND

Fund Dept. #	Department	FY10 Actual	FY11 Budget	FY12 Budget
General Fund				
1010 110	Board of Aldermen	2,614,134	2,675,765	2,755,939
1010 120	Mayor's Office	1,902,971	1,773,446	1,722,845
1010 121	SLATE	-	-	-
1010 123	Department of Personnel	3,023,618	2,773,116	2,751,510
1010 124	Register	162,078	167,595	167,520
1010 126	Civil Rights Enforcement Agency	360,085	307,778	297,357
1010 127	Information Tech. Services Agency	5,343,690	5,445,434	5,325,930
1010 137	Division of the Budget	422,895	431,943	418,607
1010 139	City Counselor	5,459,108	5,392,976	5,045,038
1010 141	PDA	126,234	117,514	113,807
1010 160	Comptroller	8,266,710	7,665,536	7,392,886
1010 160	Comptroller- Abram Building Operations	1,307,910	-	-
1010 162	Municipal Garage	318,460	316,925	294,026
1010 163	Microfilm Section	323,729	325,896	319,161
1010 170	Supply Commissioner	641,976	648,580	648,492
1010 171	Multigraph Section	833,089	875,051	817,485
1010 190	City Wide Accounts	34,549,006	35,873,030	35,686,685
1010 210	Director, Parks, Recreation & Forestry	393,043	478,925	482,114
1010 213	Division of Recreation	1,822,256	1,556,447	1,475,781
1010 214	Division of Forestry	7,221,864	7,024,096	7,188,948
1010 220	Division of Parks	9,944,232	9,280,751	9,484,922
1010 225	Soulard Market	193,009	226,018	226,623
1010 250	Tower Grove Park	715,000	694,450	684,450
1010 310	Circuit Clerk	873,191	946,169	911,881
1010 311	Circuit Court (General)	7,346,606	7,186,318	7,154,412
1010 312	Circuit Attorney	6,725,469	6,590,275	6,636,796
1010 313	Board of Jury Supervisors (Cir. Judges)	1,426,568	1,446,601	1,381,957
1010 314	Probate Court (Probate Judge)	52,264	56,690	48,090
1010 315	Sheriff	8,871,179	8,786,525	8,754,368
1010 316	City Courts	2,546,549	2,643,118	2,556,312
1010 317	City Marshal	1,316,778	1,366,450	1,351,653
1010 320	Probation Dept. & Juvenile Detention Ctr	15,648,760	16,667,667	16,288,904
1010 321	Circuit Drug Court	-	-	210,545
1010 330	Tax Equalization Board	10,223	12,400	12,400
1010 333	Recorder of Deeds	2,602,755	2,589,846	2,619,409
1010 334	Election and Registration	2,233,836	3,191,686	2,487,652
1010 335	Medical Examiner	1,752,139	1,824,958	1,836,959
1010 340	Treasurer	708,628	699,986	699,595
1010 510	Director of Streets	982,546	870,757	938,993
1010 511	Traffic and Lighting Division	8,452,790	8,377,152	8,306,905
1010 513	Auto Towing and Storage	1,527,570	1,501,780	1,519,918
1010 514	Street Division	5,281,283	6,087,360	6,731,268
1010 516	Refuse Division	13,516,130	16,515,172	16,474,982
1010 610	Director of Public Safety	657,638	645,836	645,632
1010 611	Fire Department	55,034,627	49,767,301	48,442,781
1010 612	Firefighters Retirement System	10,504,590	16,386,898	16,950,473
1010 614	Office of Special Events	164,558	163,958	164,745
1010 616	Excise Commissioner	391,989	406,717	404,840
1010 620	Building Commissioner	7,438,982	7,118,865	7,075,429
1010 622	Neighborhood Stabilization	2,400,611	2,455,185	2,471,265
1010 625	CEMA	235,121	275,633	274,086
1010 632	Corrections / MSI	16,164,187	15,256,476	14,859,527
1010 633	City Justice Center	17,944,359	17,417,718	17,933,376

FY12 BUDGET SUMMARY - ALL DEPARTMENTS BY FUND

Fund Dept. #	Department	FY10 Actual	FY11 Budget	FY12 Budget
1010 650	Police Department	122,975,422	129,432,562	126,631,000
1010 651	Police Pension Fund	11,786,840	15,418,329	17,494,034
1010 800	Director of Human Services	1,263,288	1,269,277	1,258,570
1010 900	President, Board of Public Service	2,051,464	2,447,829	2,410,100
1010 903	Facilities Management	9,060,353	10,024,309	9,989,348
1010 910	Equipment Services Division	11,481,695	11,134,567	12,632,494
1010 930	Soldier's Memorial Building	159,336	145,078	140,229
Subtotal		437,535,421	451,178,720	450,001,054

Local Use Tax Fund

1110 123	Department of Personnel	115,704	117,513	117,976
1110 143	Affordable Housing Commission	5,239,666	4,528,120	4,522,730
1110 516	Refuse Division - Bulky Pick-up	1,092,302	1,151,386	661,558
1110 620	Bldg. Comm. - Housing Conservation	2,260,655	2,161,592	2,169,190
1110 620	Bldg. Comm. - Building Demolition	2,257,875	666,351	1,500,000
1110 650	Police Department	6,201,000	4,027,440	3,500,000
1110 700	Director, Health & Hospitals	1,621,685	1,730,683	1,665,765
1110 710	Health Commissioner	478,533	313,890	328,258
1110 711	Communicable Disease Control	1,630,249	1,733,310	1,657,582
1110 713	Public Health Laboratory	-	-	-
1110 714	Animal Care and Control	1,060,865	1,035,473	1,006,826
1110 715	Environmental Health Services	1,680,587	1,739,310	1,670,047
1110 719	Family / Community / School Health	754,048	881,233	849,916
1110 737	Health Care Trust Fund	5,000,000	5,000,000	5,000,000
1110 800	Director of Human Services	298,302	295,568	319,917
1110 900	President, Board of Public Service	-	-	-
Subtotal		29,691,471	25,381,869	24,969,765

Convention and Tourism Fund

1111 160	Convention and Tourism	4,525,248	4,603,000	4,662,000
Subtotal		4,525,248	4,603,000	4,662,000

Convention and Sports Authority Trust Fund

1111 331	Convention & Sports Facility Trust	6,878,721	6,070,000	6,680,000
Subtotal		6,878,721	6,070,000	6,680,000

Demolition Fund

1113 214	Division of Forestry	28,763	-	-
1113 620	Bldg. Comm. - Bldg. Demolition	1,252,441	-	-
Subtotal		1,281,204	-	-

Assessment Fund

1115 180	Assessor	4,333,299	4,022,346	3,932,461
Subtotal		4,333,299	4,022,346	3,932,461

FY12 BUDGET SUMMARY - ALL DEPARTMENTS BY FUND

Fund Dept. #	Department	FY10 Actual	FY11 Budget	FY12 Budget
<u>Special Revenue Funds</u>				
1116 1231000	City Employees Pension Trust Fund	13,500,000	13,500,000	13,500,000
1116 139	City Counselor	253,099	263,318	264,771
1116 1600013	Comptroller-Abram Building Operations	-	-	-
1116 1600019	Comptroller-Gateway Transportation	1,128,316	1,168,413	1,241,307
1116 210	Director PRF - Forest Park Fund	2,128,459	1,680,000	1,300,000
1116 214	Division of Forestry	198,646	246,907	248,812
1116 312	Circuit Attorney (Inspire Me School)	5,797	-	-
1116 312	Circuit Attorney (Training Fund)	669	2,500	2,500
1116 312	Circuit Attorney (Tax Unit)	117,835	154,200	160,716
1116 312	Circuit Attorney (Child Support Unit)	1,775,948	2,093,417	2,068,671
1116 312	Circuit Attorney (HUD Unit)	62,958	71,861	72,256
1116 316	City Court Judicial Education Fund	-	-	5,000
1116 316	City Court Appointed Counsel Fund	-	-	7,500
1116 320	Probation Dept. & Juvenile Detention	337,134	360,724	350,702
1116 510	Dir. of Streets - Excavation/Restoration	158,283	45,428	-
1116 514	Street Div. - Excavation/Restoration	259,448	282,413	108,453
1116 516	Refuse Division	-	-	100,922
1116 520	Port Administration Division	2,678,684	2,727,149	2,068,000
1116 620	Bldg. Comm. - Code Enforcement	707,974	811,401	1,072,373
1116 620	Bldg. Comm. - Demolition & Board-Up	1,874,428	2,078,655	1,550,056
1116 650	Police Dept. - Peace Officer Training	41,619	100,000	275,000
1116 6500001	Police Dept. - Communication Support	226,623	240,500	265,628
1116 700	Director, Health & Hospitals	9,389	128,000	128,000
1116 7000001	Health Provider Reimbursement	250,000	-	-
1116 714	Animal Care and Control	7,753	9,000	9,000
1116 800	Director of Human Services	406,015	570,000	570,000
1116 900	President, Board of Public Service	3,087	823,832	712,169
1413 160	Tax Increment Financing	4,576,379	3,395,768	1,390,540
1218 160	Trustee Lease Fund	5,418,782	16,130,910	8,396,119
Subtotal		36,127,325	46,884,396	35,868,495
<u>Communications Fund</u>				
1117 127	Information Tech. Services Agency	151,671	-	-
1117 401	Communications Division	1,460,793	990,682	931,593
Subtotal		1,612,464	990,682	931,593
<u>Lateral Sewer Fund</u>				
1118 160	Comptroller - Lateral Sewer Line	54,919	56,464	56,981
1118 510	Director of Streets - Lateral Sewer	2,660,662	2,534,835	2,412,246
1118 514	Street Division	389,634	487,356	281,642
Subtotal		3,105,215	3,078,655	2,750,869
<u>Other Special Revenue Funds - Special Authorizations</u>				
1119 120	Mayor- Open Streets Donations	13,276	-	-
1119 139	City Counselor	256,227	-	-
1119 210	Director PRF - Forest Park Fund	-	-	-
1119 213	Division of Recreation	10,554	-	-
1119 214	Division of Forestry	20,254	-	-
1119 220	Division of Parks	108,517	-	-
1119 312	Circuit Att. (Contingency & Tax Fund)	1,188	-	-
1119 315	Sheriff - Auction Proceeds	-	-	-
1119 320	Probation Dept. & Juvenile Detention	105,000	-	-
1119 321	Circuit Drug Court	7,551	-	-

FY12 BUDGET SUMMARY - ALL DEPARTMENTS BY FUND

Fund Dept. #	Department	FY10 Actual	FY11 Budget	FY12 Budget
1119 334	Election and Registration	346,296	-	-
1119 401	Communications Division	130,771	-	-
1119 511	Transportation and Traffic Division	69,775	-	-
1119 520	Port Administration Division	551,274	-	-
1119 611	Fire Department	21,682	-	-
1119 632	Corrections/MSI	3,453	-	-
1119 650	Police Dept. - Police Judgements	533,260	-	-
1119 711	Communicable Disease Control	14,855	-	-
1119 714	Animal Care and Control	6,916	-	-
1119 800	Director of Human Services	-	-	-
1119 930	Soldier's Memorial Building	11,823	-	-
Subtotal		2,212,672	-	-
<u>Public Safety Fund</u>				
1120 139	City Counselor	219,035	551,526	540,248
1120 312	Circuit Attorney	498,191	485,672	540,553
1120 650	Police - Public Safety Trust Fund	2,100,000	2,350,000	2,100,000
Subtotal		2,817,226	3,387,198	3,180,801
<u>Riverboat Gaming Fund</u>				
1121 190	City Wide - Riverfront Gaming	10,880,000	6,990,000	6,690,000
1121 611	Fire Dept. - Riverfront Gaming	16,017	25,000	25,000
1121 650	Police Dept. - Riverfront Gaming	5,982,653	4,500,000	4,350,000
Subtotal		16,878,670	11,515,000	11,065,000
<u>Parks and Recreation Special Fund</u>				
1122 210	Dir. of Parks - 1/8 Cent Sales Tax	3,718,134	4,576,505	4,577,369
1122 210	Dir. of Parks - Neighborhood Parks	1,713,918	1,599,999	1,599,999
1122 220	Parks Division - Barnes/City Trust	1,769,950	2,007,074	2,599,712
1122 220	Parks Division - 1/8 Cent Sales Tax	-	410,000	-
Subtotal		7,202,002	8,593,578	8,777,080
<u>Public Safety Sales Tax Fund</u>				
1123 320	Probation Dept. & Juvenile Detention	897,564	-	-
1123 321	Circuit Drug Court	102,436	-	-
1123 610	Public Safety-Crime Prevention	292,694	1,471,000	1,000,000
1123 6110023	Fire Department	680,000	330,000	750,000
1123 6120023	Fire - Public Safety Pension Trust	5,500,652	5,500,000	5,500,000
1123 6500023	Police Department	1,878,000	1,500,000	1,864,000
1123 6500123	Police Department	1,971,319	1,390,000	1,726,000
1123 6510023	Police - Public Safety Pension Trust	5,500,677	5,500,000	5,500,000
Subtotal		16,823,342	15,691,000	16,340,000
<u>Grant Funds</u>				
1140 650	Police Department - Misc. Grants	7,032,711	9,192,325	10,349,696
Subtotal		7,032,711	9,192,325	10,349,696
1161 900	President, Board of Public Service	(98,000)	-	-
Subtotal		(98,000)	-	-
1162 121	SLATE	14,901,912	9,920,624	9,595,373
1162 160	Comptroller	40,760	102,903	101,495
Subtotal		14,942,672	10,023,527	9,696,868

FY12 BUDGET SUMMARY - ALL DEPARTMENTS BY FUND

Fund Dept. #	Department	FY10 Actual	FY11 Budget	FY12 Budget
1163 139	City Counselor	-	-	-
1163 141	Planning and Urban Design	-	-	-
1163 142	Comm. Development Administration	-	-	-
1163 160	Comptroller	-	-	-
1163 213	Division of Recreation	-	94,732	94,732
1163 316	City Courts - Problem Properties	-	-	-
1163 620	Building Commissioner	-	-	-
1163 622	Neighborhood Stabilization	-	11,339	11,419
1163 800	Director of Human Services	-	354,000	354,000
1163 900	President, Board of Public Service	-	-	-
Subtotal		-	460,071	460,151
1164 141	Planning and Urban Design	254,070	-	-
1164 142	Comm. Development Administration	152,730	1,542,640	1,076,996
1164 620	Bldg. Commissioner	3,084,905	1,186,300	600,091
1164 700	Director, Health & Hospitals	-	515,397	491,320
1164 716	Lead Poisoning Control	446,765	-	-
1164 719	Family / Community / School Health	-	-	-
1164 900	President, Board of Public Service	86,387	-	-
Subtotal		4,024,857	3,244,337	2,168,407
1165 139	City Counselor	514,977	810,751	789,724
1165 141	Planning and Urban Design	1,138,998	1,571,377	1,521,034
1165 142	Comm. Development Administration	1,978,380	2,086,507	2,259,696
1165 160	Comptroller	318,460	474,881	162,372
1165 213	Division of Recreation	352,179	-	-
1165 215	Operation Brightside	308,804	290,632	292,184
1165 316	City Courts - Problem Properties	23,730	-	-
1165 320	Probation Dept. & Juvenile Detention Center	125,525	-	-
1165 620	Building Commissioner	343,585	344,231	331,868
1165 622	Neighborhood Stabilization - Grant	13,266	-	-
1165 1165	Director of Human Services	329,373	-	-
Subtotal		5,447,277	5,578,379	5,356,878
1166 160	Comptroller - Health Grant Auditing	-	118,144	137,584
1166 700	Director, Health & Hospitals	1,860,149	1,003,834	815,295
1166 710	Health Commissioner	-	-	-
1166 711	Communicable Disease Control	8,881,027	9,406,513	9,674,556
1166 714	Animal Care and Control	-	11,519	10,714
1166 715	Environmental Health Services	966,105	1,428,354	1,289,895
1166 716	Lead Poisoning Control	(394)	-	-
1166 719	Family / Community / School Health	417,362	619,919	562,789
Subtotal		12,124,249	12,588,283	12,490,833
1167 160	Comptroller	-	52,084	52,578
1167 632	Corrections/MSI	-	-	-
1167 800	Director of Human Services	15,634,550	18,379,009	18,406,447
Subtotal		15,634,550	18,431,093	18,459,025
1168 126	CREA - EEOC Contract	45,205	35,657	35,831
1168 126	CREA-HUD Contract	66,564	136,610	134,135
1168 139	City Counselor	-	-	-
1168 160	Comptroller	89,041	-	-
1168 210	Director of Parks	-	-	-

FY12 BUDGET SUMMARY - ALL DEPARTMENTS BY FUND

Fund Dept. #	Department	FY10 Actual	FY11 Budget	FY12 Budget
1168 214	Division of Forestry	22,500	-	-
1168 220	Division of Parks	-	-	-
1168 312	Circuit Att. - Domestic Violence	473,817	576,966	585,646
1168 320	Probation Dept. & Juvenile Det. Cntr.	773,212	-	-
1168 321	Circuit Drug Court	506,571	-	-
1168 334	Election and Registration	-	-	-
1168 335	Medical Examiner	161,427	225,000	225,000
1168 516	Refuse Division - Recycling	179,356	363,407	363,407
1168 610	Director of Public Safety	-	-	-
1168 611	Fire Department	2,060	-	-
1168 620	Building Commissioner	-	-	-
1168 900	President, Board of Public Service	1,160,383	-	-
Subtotal		3,480,136	1,337,640	1,344,019
1169 139	City Counselor	-	64,002	64,362
1169 220	Division of Parks	366	-	-
1169 312	Circuit Att. (LLEBG/JAG/PSN)	-	460,047	476,097
1169 316	City Courts - Community Courts	-	-	-
1169 320	Probation Dept. & Juvenile Det. Cntr.	262,689	370,218	373,583
1169 321	Circuit Drug Court	-	-	-
1169 335	Medical Examiner	469	-	-
1169 610	Director of Public Safety	-	-	255,000
1169 611	Fire Department	162,374	-	1,589,004
1169 622	Neighborhood Stabilization - Grants	964,358	-	115,832
1169 625	City Emergency Management Agency	174,316	250,000	-
Subtotal		1,564,572	1,144,267	2,873,878
Subtotal		64,153,024	61,999,922	63,199,755
<u>Capital Funds</u>				
1217 160	Capital Improv. - Regular Sources	17,081,000	10,334,500	16,776,998
1219 160	Metro Parks - Sales Tax	1,197,615	1,432,000	1,544,000
1220 160	Capital Improv. - Sales Tax	16,807,700	16,863,000	16,600,000
Subtotal		35,086,315	28,629,500	34,920,998
<u>Debt Service Fund</u>				
1311 160	G.O. Debt Service (Public Safety)	5,665,388	5,690,860	5,690,266
Subtotal		5,665,388	5,690,860	5,690,266
<u>Enterprise Funds</u>				
1510 415	Water Division	45,729,166	57,641,340	52,709,334
1511 420	City of St. Louis Airport Comm.	184,287,332	162,359,379	171,251,929
Subtotal		230,016,498	220,000,719	223,961,263
<u>Internal Service Funds</u>				
1611 172	Mail Room	599,019	807,834	809,207
1613 123	Personnel - Employee Benefits	5,266,934	6,946,290	5,095,271
1713 123	Personnel - Employee Benefits	33,174,537	32,053,342	34,752,082
1719 123	Personnel	323	-	-
1719 123	City Counselor	-	102,491	-
Subtotal		39,040,813	39,909,957	40,656,560
Subtotal All Funds		\$944,986,318	\$937,627,402	\$937,587,960

FY12 BUDGET SOURCES AND USES OF FUNDS SUMMARY (in millions)

Sources and Uses	1010 General Fund	1110 Local Use Tax Fund	Tourism Fund	Conven- tion & Sports Facility	Assess- ment Fund	1116 Special Funds	Communi- cations Fund	Lateral Sewer Fund	Public Safety Trust Fund	Riverboat Gaming Fund	Special Park Funds	Public Safety Sales Tax Fund
Beginning Fund Balance	\$6.900	\$4.665	\$0.000	\$0.000	\$0.006	\$0.178	\$0.000	\$2.026	\$0.222	\$0.000	\$2.013	\$0.127
Revenues												
Earnings Tax	141.199	-	-	-	-	-	-	-	-	-	-	-
Property Tax	54.570	-	-	-	1.800	-	-	-	-	-	-	-
Sales & Use Taxes	46.474	27.235	-	-	-	-	-	-	-	-	4.061	16.432
Motor Vehicle Sales Tax	2.933	-	-	-	-	-	-	-	-	-	-	-
Gasoline Tax	9.800	-	-	-	-	-	-	-	-	-	-	-
Payroll Tax	33.934	-	-	-	-	-	-	-	-	-	-	-
Franchise (Utilities) Taxes	50.614	-	-	-	-	-	2.550	2.536	-	-	-	-
Restaurant Taxes	2.506	-	4.662	-	-	-	-	-	-	-	-	-
3.5% Hotel Sales Tax	-	-	-	6.680	-	-	-	-	-	-	-	-
Other Taxes	-	-	-	-	-	-	-	-	-	-	-	-
License Fees	14.713	-	-	-	-	-	-	-	-	-	-	-
Grants / Intergovernmental	13.274	-	-	-	0.551	-	-	-	3.041	10.101	-	-
User Fees, Fines & Other	46.367	-	-	-	0.078	24.941	-	-	-	-	-	-
Transfers In	33.625	-	-	-	1.550	1.141	-	-	-	-	1.600	-
Other Resources	0.000	-	-	-	-	-	-	-	-	1.000	2.000	-
Total Sources of Funds	\$450.009	\$27.235	\$4.662	\$6.680	\$3.979	\$26.082	\$2.550	\$2.536	\$3.041	\$11.101	\$7.661	\$16.432
Appropriations												
Personal Services	334.292	12.632	-	-	3.346	6.000	0.829	0.730	3.124	4.350	2.118	6.613
Materials & Supplies	22.910	0.382	-	-	0.031	0.467	0.036	0.035	0.023	0.010	0.150	0.000
Rental & Non Capital Leases	2.900	0.070	-	-	0.007	0.094	0.004	0.085	0.000	0.000	0.009	0.000
Non Capital Equipment	0.789	0.023	-	-	0.004	0.055	0.004	0.000	0.005	0.010	0.000	0.000
Capital Assets	0.216	0.000	-	-	0.000	0.057	0.000	0.000	0.006	0.000	0.559	0.000
Contractual & Other Services	58.718	11.861	0.135	-	0.545	19.209	0.059	1.901	0.023	0.175	2.665	1.000
Debt Service	21.715	0.001	-	-	-	-	-	-	-	-	3.276	8.727
Transfers Out :												
Capital Lease Payments	5.310	-	-	-	-	-	-	-	-	-	-	-
Other Transfers Out	3.150	-	4.527	6.680	-	0.200	1.575	-	-	6.520	0.000	-
Total Uses of Funds	\$450.001	\$24.969	\$4.662	\$6.680	\$3.933	\$26.082	\$2.507	\$2.751	\$3.181	\$11.065	\$8.777	\$16.340
Ending Fund Balance	\$6.908	\$6.931	\$0.000	\$0.000	\$0.052	\$0.178	\$0.043	\$1.811	\$0.082	\$0.036	\$0.897	\$0.219

FY12 BUDGET SOURCES AND USES OF FUNDS SUMMARY (in millions)

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Sources and Uses	Police Grants	SLATE	1163-65 CDA*	1166-9 Grant Funds	Street Improvement Fund*	1217-22 Capital Improvements	General Oblig. Debt Service	Tax Increment Financing	Water Division Enterprise Fund	Airport Enterprise Fund	Mail Internal Service Fund	Employee Health & Hospital Funds
Beginning Fund Balance	n/a	n/a	n/a	n/a	\$1.236	\$0.000	\$6.334	\$0.000	\$7.326	\$11.323	\$0.000	\$4.253
Revenues												
Property Tax	-	-	-	-	-	-	5.691	-	-	-	-	-
Sales & Use Taxes	-	-	-	-	-	\$18.14	-	-	-	-	-	-
Motor Vehicle Sales Tax	-	-	-	-	0.650	-	-	-	-	-	-	-
Gasoline Tax	-	-	-	-	-	0.630	-	-	-	-	-	-
Franchise (Utility) Taxes	-	-	-	-	4.149	-	-	-	5.800	-	-	-
Other Taxes	-	-	-	-	-	-	-	1.390	-	-	-	-
License Fees	-	-	-	-	-	-	-	-	-	-	-	-
Enterprise Revenues	-	-	-	-	-	-	-	-	49.297	172.017	-	-
Grants / Intergovernmental	10.839	9.697	7.986	35.166	-	-	-	-	-	-	-	-
User Fees, Fines & Other	-	-	-	-	-	1.400	-	-	-	-	0.809	38.347
Transfers In	-	-	-	-	-	11.201	-	-	-	-	-	-
Other Resources	-	-	-	-	-	3.550	-	-	-	-	-	-
Total Sources of Funds	\$10.839	\$9.697	\$7.986	\$35.166	\$4.799	\$34.925	\$5.691	\$1.390	\$55.097	\$172.017	\$0.809	\$38.347
Appropriations												
Personal Services	10.173	3.210	5.961	8.549	2.006	1.090	-	0.465	21.879	41.533	0.324	0.466
Materials & Supplies	0.128	0.073	0.069	0.388	2.026	-	-	0.015	10.430	5.383	0.009	0.066
Rental & Non Capital Leases	-	0.205	0.601	0.011	0.029	-	-	-	0.427	0.131	0.008	0.005
Non Capital Equipment	-	0.000	0.037	0.132	0.008	-	-	0.010	0.090	0.165	-	0.008
Capital Assets	-	0.000	0.040	0.027	0.080	-	-	0.005	0.479	3.119	0.000	0.000
Contractual & Other Services	0.049	6.209	1.278	26.059	0.651	7.604	-	0.005	14.984	42.064	0.469	39.302
Debt Service	-	-	-	-	-	26.227	5.690	0.890	4.420	78.857	-	-
Transfers Out :												
Capital Lease Payments	-	-	-	-	-	-	-	-	-	-	-	-
Other Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Total Uses of Funds	\$10.350	\$9.697	\$7.986	\$35.166	\$4.800	\$34.921	\$5.690	\$1.390	\$52.709	\$171.252	\$0.809	\$39.847
Ending Fund Balance	\$0.489	\$0.000	\$0.000	\$0.000	\$1.235	\$0.004	\$6.335	\$0.000	\$9.714	\$12.088	\$0.000	\$2.753

* CDBG funds and Street Improvement funds are appropriated on a calendar year basis and are under separate appropriating ordinances. Fund balances rollover and do not require reappropriation.

CITY OF ST. LOUIS
GENERAL FUND REVENUE ESTIMATE

Revenue Category	Actual Receipts FY10	Projected Receipts FY11	Projected Receipts FY12	Percent Change
Earnings Tax	143,587,445	139,112,000	141,199,000	1.5%
Sales Taxes	45,530,336	46,013,000	46,474,000	1.0%
Property Tax	52,801,193	53,686,000	54,570,000	1.6%
Payroll Expense Tax	32,987,892	33,496,000	33,934,000	1.3%
Franchise / Utility Taxes:				
Electricity	23,927,217	28,000,000	26,500,000	-5.4%
Natural Gas	8,932,169	8,410,000	8,410,000	0.0%
Telephone	3,174,781	7,920,000	3,750,000	-52.7%
Water	3,431,647	6,600,000	5,200,000	-21.2%
Airport	5,900,492	6,110,000	6,110,000	0.0%
All Other franchise fees	791,982	644,000	644,000	0.0%
Subtotal	46,158,288	57,684,000	50,614,000	-12.3%
Intergovernmental Revenues:				
Gasoline Tax	9,665,817	9,800,000	9,800,000	0.0%
Health Care Payments	4,788,218	5,100,000	5,550,000	8.8%
Prisoner Housing Reimbursement	6,319,923	5,825,000	5,825,000	0.0%
Juvenile Detention Reimbursements	2,216,864	2,136,000	2,136,000	0.0%
Motor Vehicle Sales Tax	2,744,917	2,875,000	2,933,000	2.0%
Intangible Tax	51,092	63,000	63,000	0.0%
Subtotal	25,786,831	25,799,000	26,307,000	2.0%
Licenses:				
Graduated Business License	7,242,000	7,200,000	7,250,000	0.7%
Cigarette Occupational License	1,732,694	1,580,400	1,500,400	-5.1%
Sports and Amusement	3,565,583	1,788,700	1,590,000	-11.1%
Automobile	1,388,268	1,387,000	1,387,000	0.0%
Parking Garages and Lots	2,325,573	2,331,200	2,331,200	0.0%
Other Licenses	709,558	734,000	654,000	-10.9%
Subtotal	16,963,676	15,021,300	14,712,600	-2.1%
Departmental Revenues:				
Fines and Forfeits	8,835,158	8,566,250	8,567,250	0.0%
Building and Occupancy Permits	6,775,337	7,368,400	7,926,400	7.6%
Departmental User Fees & Other	25,646,592	34,758,395	36,223,240	4.2%
Subtotal	41,257,087	50,693,045	52,716,890	4.0%

**CITY OF ST. LOUIS
GENERAL FUND REVENUE ESTIMATE**

Revenue Category	Actual Receipts FY10	Projected Receipts FY11	Projected Receipts FY12	Percent Change
Convention and Tourism Taxes:				
Hotel / Motel Gross Receipts ¹	6,878,721	6,437,000	6,631,000	3.0%
Restaurant Gross Receipts - 1 cent ¹	4,465,248	4,461,000	4,576,000	2.6%
Restaurant Gross Receipts - 1/2 cent	2,371,893	2,445,000	2,506,000	2.5%
Subtotal	13,715,862	13,343,000	13,713,000	2.8%
All other revenues and transfers	1,493,594	2,280,000	2,268,102	-0.5%
Employee Pension Trust transfer	13,500,000	13,500,000	13,500,000	0.0%
Subtotal	14,993,594	15,780,000	15,768,102	-0.1%
TOTAL GENERAL FUND REVENUES	\$433,782,204	\$450,627,345	\$450,008,592	-0.1%

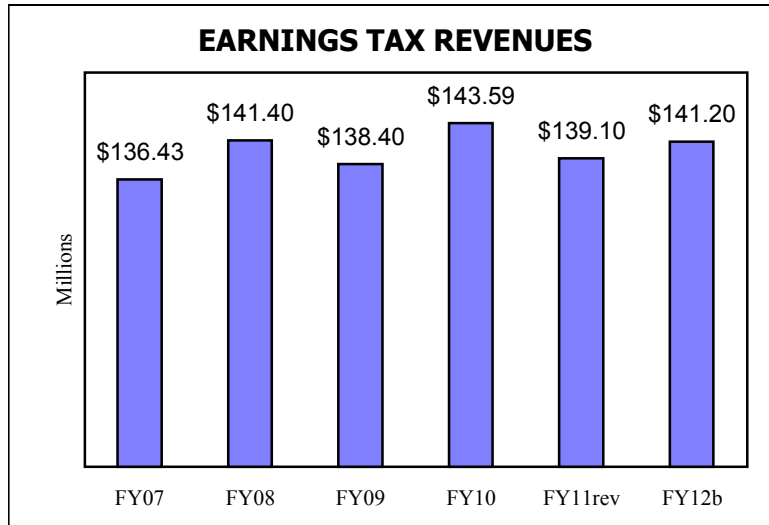
¹ Transfers from convention and sports facility trust fund and convention and tourism fund respectively

EARNINGS TAX

Definition

A one percent tax levied against employee gross compensation and business net profits.

The tax applies to all residents of the City of St. Louis regardless of where they work. It also applies to the earnings of non-residents who work within the city limits.



Discussion

The city earnings tax is the most significant single source of general fund revenue, comprising approximately 31% of the total revenues. Receipts from individual taxpayers comprise about 85 percent of total earnings tax revenues, with businesses paying the remaining 15 percent. The Collector of Revenue is authorized by State law to retain a percentage of collections to pay for office operations. Funds not used for operations, including interest, are returned to the city.

In November, 2010, voters in the state of Missouri approved a proposition requiring that those cities in the state with an existing earnings tax submit the tax to a retention vote every five years. If not successfully passed, the earnings tax would be phased out over a ten year period. City voters approved the first of these retention votes in April, 2011 with an 88% approval rate.

Recent earnings tax receipts have shown a slight recovery from the recession period where job losses and a drop in corporate earnings had led to a decrease in receipts in recent years. FY10 receipts included a large release from escrow of approx. \$7M attributable to the previous fiscal year. Fiscal FY11 has seen a stronger recovery in corporate receipts trailed by a more modest increase in individual withholdings, suggesting a continued slow recovery in the job market. FY12 estimates assume modest growth of 1.5%.

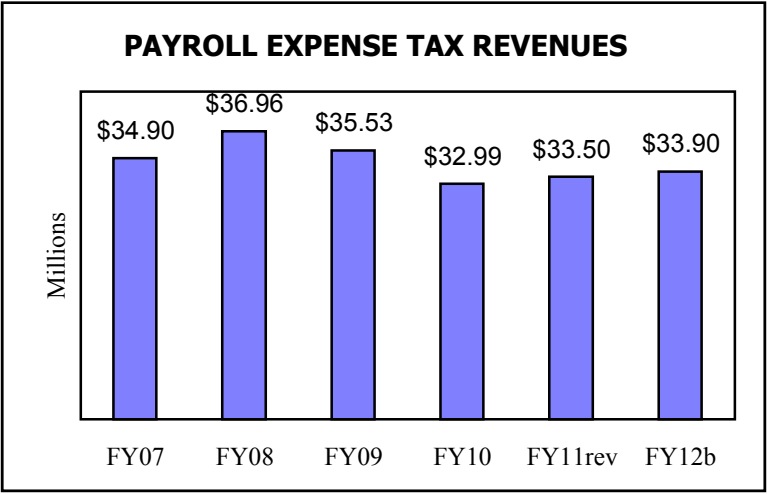
PAYROLL EXPENSE TAX

Definition

A tax of one-half of one percent of total compensation paid by a business to its employees for work performed in the City of St. Louis. Not-for-profit charitable or civic organizations are exempt from the payroll expense tax.

Discussion

The payroll expense tax was implemented in 1988 as part of an overall tax reform package, the aim of which was to redesign the city revenue base to be more attuned to changes in the economy. Payroll expense tax receipts follow trends in earnings tax collections, but can grow at a different rate, due to a somewhat different base and exemptions noted above. The Payroll tax has seen a slight return to growth over the past fiscal year although this performance has continued to trail that of the earnings tax. FY12 estimates assume growth of 1.3% for the year.



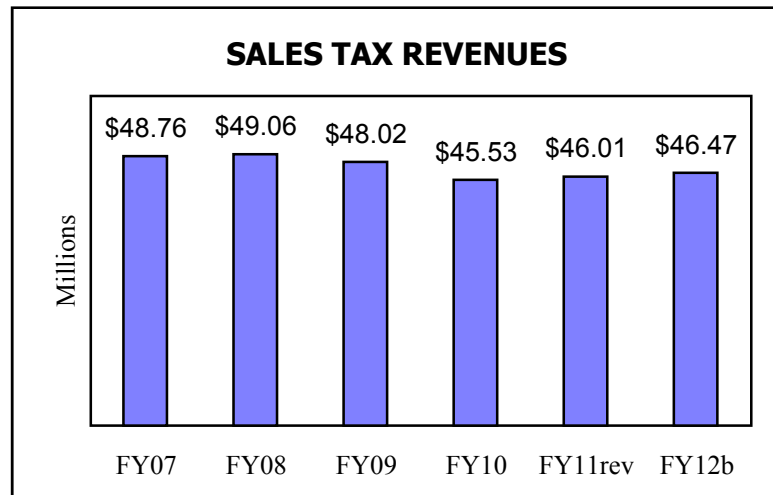
SALES TAX

Definition

A one and three-eighths percent tax levied on retail sales in the City of St. Louis. Sales tax is not levied on certain items, including motor fuels, prescription drugs, food purchased with food stamps, all sales by or to not for profit organizations and residential utility charges.

Discussion

With the increase of a 1/4 cent for Metro (mass transit) operations, the total sales tax rate in the City is now 8.491% as indicated in the table below. The above chart represents the trend of that portion of sales tax receipts allocated to the City's general fund. Of the City's major sources of revenue, the sales tax has remained the most vulnerable to economic downturns. FY11 has seen a return to modest growth after a significant downturn in the previous fiscal year. Receipts are projected to increase 1% in FY12.



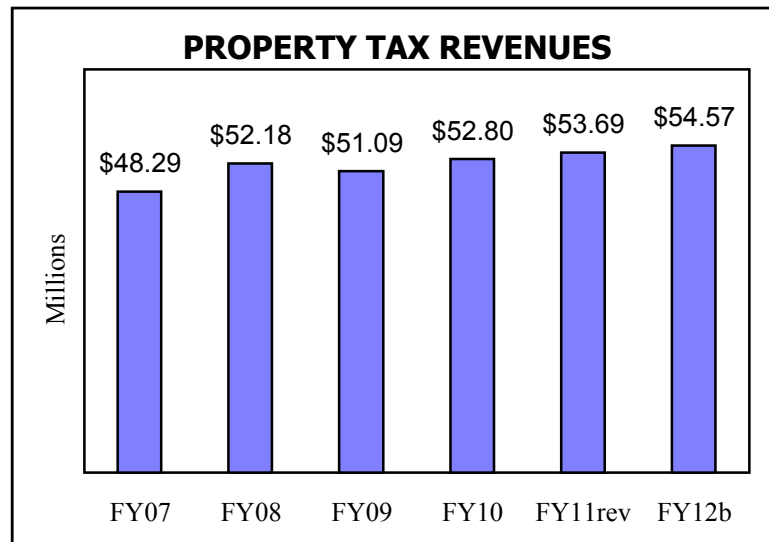
<u>Sales Tax Rate in City</u>		
City - General & Capital Funds	1.875%	
City - Metro	1.000%	
City - Regional Parks	0.100%	
City - Local Parks	0.125%	
City - Public Safety	0.500%	
		<hr/>
		3.600%
State Rates	4.225%	
Bd. Of Education	0.666%	
		<hr/>
		4.891%
		<hr/>
Total Sales Tax Rate:		8.491%

REAL AND PERSONAL PROPERTY TAXES

Definition

A tax levied on the assessed value of all real and personal property. The current tax rate is \$6.9187 per \$100 assessed value.

Discussion



Real and personal property tax revenues are distributed to the following taxing jurisdictions.

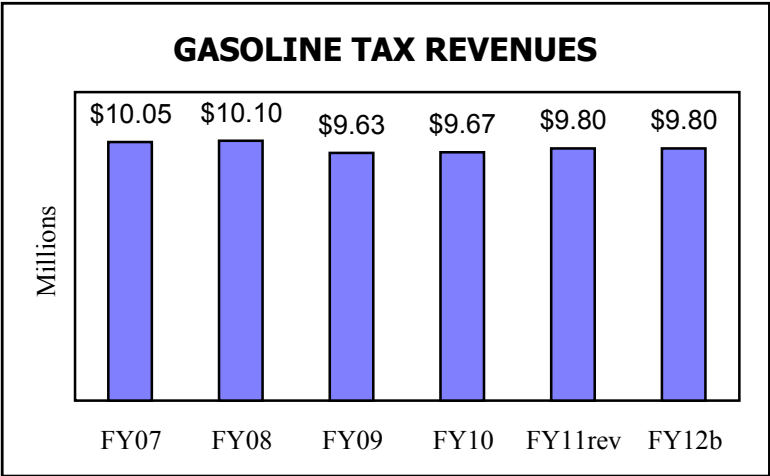
State	\$0.0300
Schools	3.9865
Community College	0.2179
Library	0.5208
Zoo, Museum, Garden District	0.2546
Sewer District	0.0790
Sheltered Workshop	0.1372
Community Mental Health	0.0823
Community Children's Services Fund	0.1880
City - General Purposes	1.2996
City - Public Debt	0.1228
TOTAL	\$6.9187

Taxes are levied on all real and personal property owned as of January 1 in each year. Tax bills are normally mailed in November and payment is due by December 31, after which taxes become delinquent. Assessment ratios are 19% for residential property, 32% for commercial property, and 12% for agricultural real estate. Personal property is assessed at 33.3% of the appraised market value. In addition to the rate shown, commercial real property is taxed at a rate of \$1.64 per \$100 assessed valuation, as a replacement for the Manufacturer's Inventory tax. 2011 is a reassessment year. Total assessments in the City have been relatively flat in recent years at \$4.5 billion. With the addition of some minor construction projects and inflationary adjustments, real property tax receipts are projected to rise 2% in FY12 with little to no growth in personal property tax receipts.

GASOLINE TAX

Definition

A per unit tax levied on the sale of motor fuel purchased statewide. The gasoline tax is levied by the state and remitted monthly to local jurisdictions based on the proportionate share of the total population.



Discussion

The gasoline tax rate imposed by the State of Missouri is \$0.17 per gallon. The City receives distributions from the state for its status as both a city and a county. The formula for distribution for these revenues is based on the jurisdiction's population as a percentage of all jurisdictions.

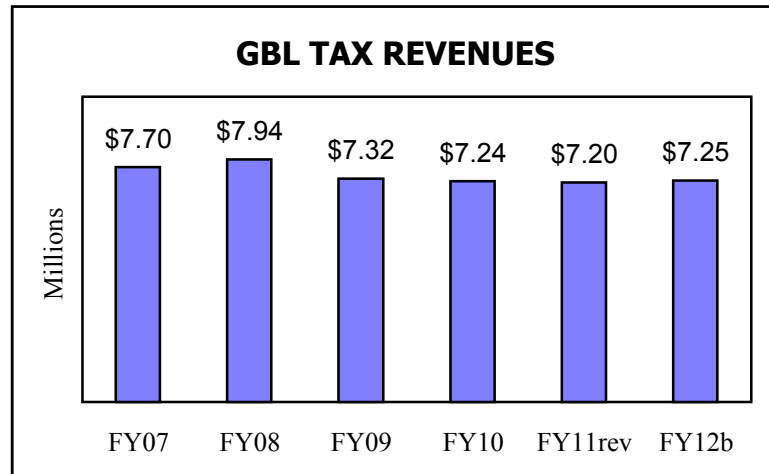
Amounts depicted in the chart above represent the City's allocation based on its status as a city and are deposited to the general fund to offset the cost of maintaining streets and highways. An additional \$0.6 million is received based on the City's status as a county and is deposited to the capital fund to offset the cost of road and bridge projects.

After having shown a slight increase in the current fiscal year, receipts are projected to remain flat in FY12.

GRADUATED BUSINESS LICENSE TAX

Definition

A flat rate tax on businesses based on the number of persons a business employs within the city limits. The tax rate ranges from \$200 for employers with two or fewer employees to \$37,500 for employers with more than five hundred employees. (Graph illustrates general fund only)



Discussion

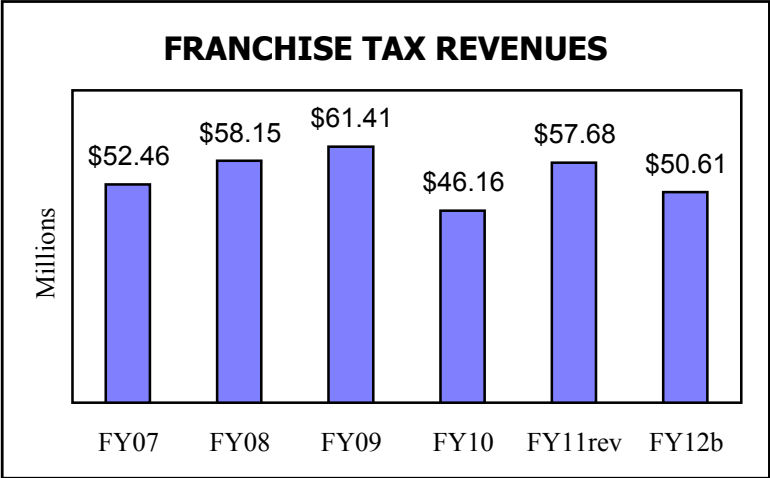
The decline in business activity in recent years is readily apparent in results from the GBL. A significant drop in receipts beginning in FY09 indicated the decline in jobs and employment from which the City is yet to recover. With most receipts from the GBL received in the 4th quarter of the fiscal year, receipts for FY11 and FY12 are projected to continue at this lower base. The current license fee schedule, including the increase approved by voters in 2006 and allocated to the Public Safety Trust Fund is as follows:

<u>Number of Employees</u>	<u>GBL Tax</u>
501 or more	\$37,500
401-500	\$34,500
301-400	\$30,000
201-300	\$25,500
151-200	\$20,250
101-150	\$15,000
76-100	\$11,250
51-75	\$7,500
41-50	\$4,500
31-40	\$3,000
21-30	\$2,250
11-20	\$1,500
6-10	\$675
3-5	\$325
2 or fewer	\$200

FRANCHISE TAX

Definition

A tax on the gross receipts of utility companies operating within the City, including sales of electricity, natural gas, telephone services, water and steam, and on the gross receipts of the Airport.



Discussion

The tax rate for companies supplying natural gas and electricity is 10% of the gross receipts from their commercial customers and 4% of the gross receipts from residential customers. Companies supplying steam and water are taxed at 10% of their gross receipts from all customers. The taxes are passed on to the ultimate consumers. Utility tax receipts have fluctuated significantly in the past few fiscal years due mainly to the implementation of a recent settlement agreement with telecommunication companies. The City reduced its tax on telecommunications from 10% to 7.5% effective November 1, 2007. In return the companies agreed to apply the new lower rate to wireless communications receipts previously protested under the old rate. Results from FY10 were skewed by the release of protest amounts in FY09. FY11 estimates reflect a release of final escrowed amounts. Both electric utility receipts (46% of total) and natural gas receipts have risen and declined respectively with electric and natural gas rates and remain susceptible to variations in weather. The reduced projections for FY12 reflect the return to normal pattern of telecommunications receipts as well as a moderation of electric receipts following a warmer than average cooling season in the previous year.

CITY OF ST. LOUIS
SPECIAL AND OTHER FUNDS REVENUE ESTIMATE

Revenue Category	Actual Receipts FY10	Projected Receipts FY11	Projected Receipts FY12	Percent Change
SPECIAL AND OTHER FUND REVENUES:				
Local Use Tax Fund				
Local Use Tax	25,448,733	27,200,000	27,200,000	0.0%
Interest & Misc.	43,944	35,000	35,000	0.0%
	<u>25,492,677</u>	<u>27,235,000</u>	<u>27,235,000</u>	<u>0.0%</u>
Convention and Tourism Fund				
Restaurant Gross Receipts Tax (1%)	4,641,025	4,800,000	4,920,000	2.5%
License Commission	-197,295	-204,000	-209,000	2.5%
	<u>4,443,730</u>	<u>4,596,000</u>	<u>4,711,000</u>	<u>2.5%</u>
Convention and Sports Facility Fund				
Hotel and Motel Sales Tax (3.5%)	6,462,806	6,650,000	6,850,000	3.0%
License Commission	-207,361	-212,000	-218,000	2.8%
	<u>6,255,445</u>	<u>6,438,000</u>	<u>6,632,000</u>	<u>3.0%</u>
Assessment Fund				
Real Estate Tax	1,915,179	1,760,000	1,800,000	2.3%
State Reimbursements	762,780	340,000	551,000	62.1%
Other	80,225	71,500	77,500	8.4%
General Fund Subsidy	0	1,850,000	1,550,000	-16.2%
	<u>2,758,184</u>	<u>4,021,500</u>	<u>3,978,500</u>	<u>-1.1%</u>
Miscellaneous Special Funds (1116)				
City Employee Pension Trust Fund	13,500,000	13,500,000	13,500,000	0.0%
Gateway Transportation Fund	846,126	914,200	950,000	3.9%
Forest Park Funds	1,540,352	1,535,100	1,550,600	1.0%
Circuit Attorney - Misc. Special Funds	219,722	202,000	202,000	0.0%
Circuit Attorney - Child Support Unit	1,935,949	1,800,000	1,800,000	0.0%
Street Excavation Fund	243,177	205,000	205,000	0.0%
Port Authority (incl. gaming lease)	1,700,596	2,164,000	1,973,000	-8.8%
Building Commissioner - Lead Remediation	1,094,577	1,400,000	1,620,000	15.7%
Building Commissioner - Bldg. Demolition	1,320,870	1,600,000	1,820,000	13.8%
Police Officer Training Fund	87,963	78,000	78,000	0.0%
Health Division - Other Special Revenue	31,562	16,500	16,500	0.0%
Equitable Relief from Utility Tax	295,647	295,000	295,000	0.0%
Battered Persons / Domestic Viol. Funds	88,469	86,250	86,250	0.0%
Other Special Revenue Funds	608,512	1,690,500	1,594,000	-5.7%
	<u>23,513,522</u>	<u>25,486,550</u>	<u>25,690,350</u>	<u>0.8%</u>

CITY OF ST. LOUIS
SPECIAL AND OTHER FUNDS REVENUE ESTIMATE

Revenue Category	Actual Receipts FY10	Projected Receipts FY11	Projected Receipts FY12	Percent Change
Communications Fund				
Cable Television Gross Receipts Tax	2,359,042	2,500,000	2,550,000	2.0%
	2,359,042	2,500,000	2,550,000	2.0%
Lateral Sewer Fund				
Tax receipts and interest	2,490,339	2,480,000	2,480,000	0.0%
Interest	2,317	5,000	5,000	0.0%
Surplus Commissions	39,645	41,000	41,000	0.0%
	2,532,301	2,526,000	2,526,000	0.0%
Public Safety Trust Fund				
Graduated Business License Tax	3,037,871	3,041,000	3,041,000	0.0%
	3,037,871	3,041,000	3,041,000	0.0%
Riverfront Gaming Revenues (excl. port lease)				
Adjusted Gross Receipts Tax (2.1%)	4,574,038	3,518,000	3,500,000	-0.5%
Admissions Tax (\$1)	8,483,107	6,644,000	6,600,000	-0.7%
Interest / Misc.	508	1,001,000	1,001,000	
	13,057,653	11,163,000	11,101,000	-0.6%
Local Parks Funds				
1/8 Cent Sales Tax	4,054,692	4,096,000	4,135,000	1.0%
Neighborhood Parks Fund (Gen Fund Trnsfr)	0	1,600,000	1,600,000	0.0%
BJC / City Trust Fund	2,000,271	2,000,500	2,000,500	0.0%
	6,054,963	7,696,500	7,735,500	0.5%
Public Safety Sales Tax Fund				
1/2 Cent Public Safety Sales Tax	16,206,705	16,732,000	16,900,000	1.0%
	16,206,705	16,732,000	16,900,000	1.0%

CITY OF ST. LOUIS
SPECIAL AND OTHER FUNDS REVENUE ESTIMATE

Revenue Category	Actual Receipts FY10	Projected Receipts FY11	Projected Receipts FY12	Percent Change
Government Grant Fund Revenues				
St. Louis Agency on Training & Employment	13,849,332	10,024,000	9,700,000	-3.2%
Police Department Grants	7,033,000	9,192,000	10,350,000	12.6%
Community Dev. - (excl. separate. approp)	4,376,000	9,283,000	7,985,000	-14.0%
Other Government Grants	32,804,000	33,501,000	35,168,000	5.0%
	58,062,332	62,000,000	63,203,000	1.9%
Capital Improvements Funds				
1/2 Cent Sales Tax	16,539,718	16,450,000	16,600,000	0.9%
Metro Parks Sales Tax	1,507,504	1,530,000	1,544,000	0.9%
Gasoline Tax	630,000	630,000	630,000	0.0%
Previous Year Surplus / (Deficits)	0	-1,146,000	0	
Income From Sale Of City Assets & Other	143,094	350,000	3,767,000	976.3%
Transfers from General and Other Funds	10,956,002	8,659,000	10,984,040	26.9%
Courthouse Restoration Funds	1,419,326	1,400,000	1,400,000	0.0%
Previous Appropriation Rollover	0	761,000	0	-100.0%
	31,195,644	28,634,000	34,925,040	22.0%
Debt Service Fund				
Property Taxes	4,813,035	5,695,000	5,690,000	-0.1%
	4,813,035	5,695,000	5,690,000	-0.1%
Tax Increment Financing	4,576,000	3,396,000	1,390,540	-59.1%
Trustee Lease Fund - Interest & DSR Earnings	5,418,782	16,131,000	8,396,000	-48.0%
Mail Services Internal Service Fund	597,386	808,000	809,000	0.1%
Employee Benefits Funds	38,158,000	39,000,000	38,347,000	-1.7%
	38,158,000	39,000,000	38,347,000	-1.7%
Subtotal Special and Other Fund Revenues	248,533,272	267,099,550	264,860,930	-0.8%

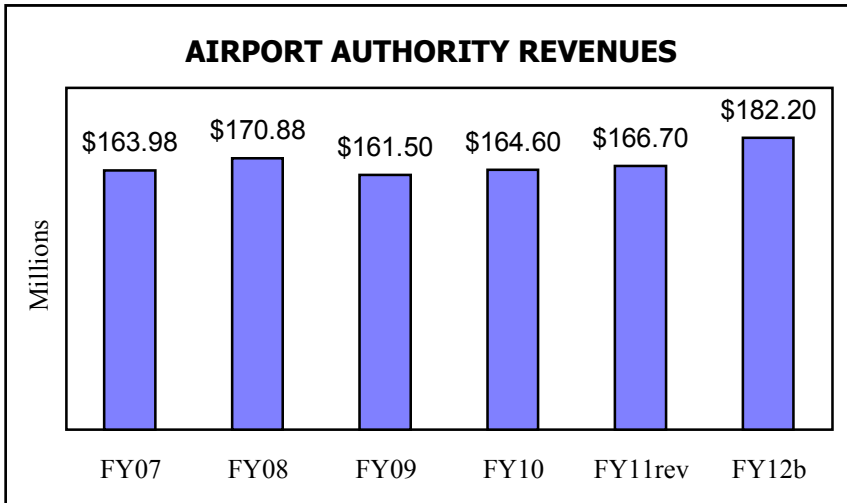
CITY OF ST. LOUIS
SPECIAL AND OTHER FUNDS REVENUE ESTIMATE

Revenue Category	Actual Receipts FY10	Projected Receipts FY11	Projected Receipts FY12	Percent Change
ENTERPRISE FUND REVENUES:				
Water Division				
Net Sales of Water	46,656,343	47,850,000	47,850,000	0.0%
All Other Income	2,479,478	2,048,600	1,958,600	-4.4%
	49,135,821	49,898,600	49,808,600	-0.2%
Lambert St. Louis Airport				
Landing Fees	69,904,051	66,568,000	68,879,000	3.5%
Rents	26,358,411	27,646,000	28,487,000	3.0%
Utilities and Charges	515,885	525,000	546,000	4.0%
Concessions	21,513,572	22,164,000	23,488,000	6.0%
Rate Mitigation Proceeds	0	0	13,728,000	
Interest	2,026,405	2,066,000	2,054,000	-0.6%
Parking and Miscellaneous	17,146,679	20,542,000	21,162,000	3.0%
Pledged PFC Revenues	27,135,109	27,195,000	23,863,000	-12.3%
	164,600,112	166,706,000	182,207,000	9.3%
Subtotal Enterprise Funds	213,735,933	216,604,600	232,015,600	7.1%
Total Special and Enterprise Revenues	\$462,269,205	\$483,704,150	\$496,876,530	2.7%
Revenues Appropriated Separately:				
Street Improvement Fund				
Motor Vehicle Sales Tax	616,130	650,000	650,000	0.0%
Franchise (Utility) Taxes	3,703,495	3,815,000	4,000,000	4.8%
Interest	0	10,000	10,000	0.0%
	4,319,625	4,475,000	4,660,000	4.1%
Community Dev. Block Grants / Housing Grants (excluding appropriations listed above)	27,248,403 27,248,403	19,252,000 19,252,000	17,829,160 17,829,160	-7.4%
Transportation Fund	25,176,951	32,453,000	33,800,000	4.2%
Parking Division Fund	15,980,722	13,491,000	13,896,860	3.0%
Total All Special and Other Fund Revenues	\$534,994,906	\$553,375,150	\$567,062,550	2.5%

AIRPORT AUTHORITY (Lambert-St. Louis International Airport)

Definition

Airport revenue comes from Signatory Airline Fees, Concession Revenues, Interest Income and Parking fees, in addition to funds provided by the Federal Aviation Administration.



Discussion

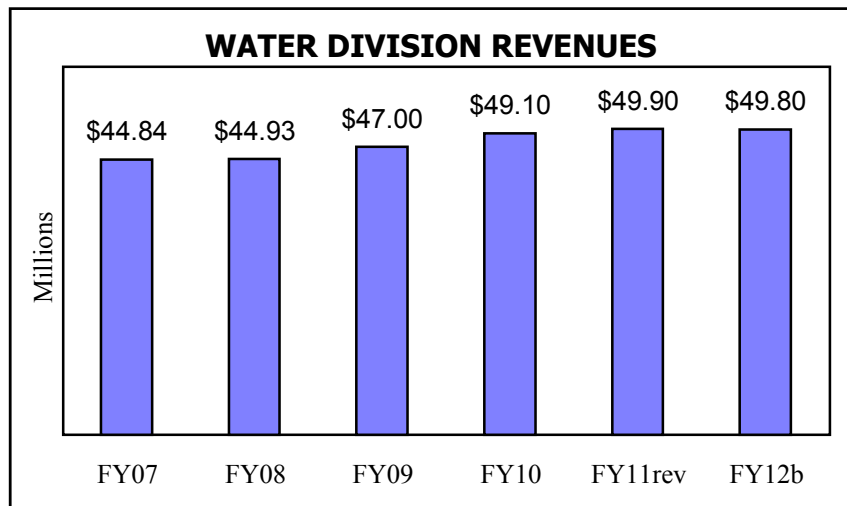
Lambert - St. Louis International Airport receives just over half of its operating revenues from signatory airlines in the form of landing fees and terminal rents. Signatory airlines are those airlines serving the Airport who have signed use agreements and include: Air Canada, Air Choice One, Air Tran, Alaska Airlines, American, Cape Air, Continental, Delta, Frontier, USAir, USA3000, Southwest, and United. The Airport also receives revenues from concessions that operate on Airport property. Concession fees include revenues from the following activities: food & beverage sales, gift shops, coin devices, ground transportation, public parking, car rentals, space rental, in-flight catering and other concession revenues. Other revenues include non-signatory airline fees, cargo, hangar, tenant improvement surcharges, employee lot, gain on sale of investments and other miscellaneous revenues. Airport revenues are projected to increase close to 1% in FY12 supplemented by rate mitigation reserves of approx. \$13.7M.

WATER DIVISION

Definition

Water Division revenues include sales of water to residential and commercial customers and to other jurisdictions, along with miscellaneous charges for service.

Discussion



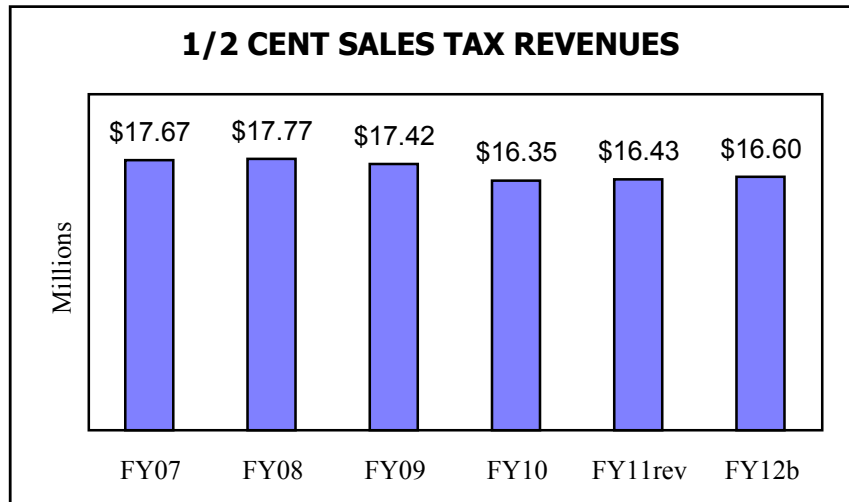
Revenues from net sales of Water include sales to flat-rate and metered customers and sales to other governmental jurisdictions. While the number of metered and unmetered customers has decreased reflecting the city's population decline, increases in the sales to other governmental jurisdictions has offset some of the decrease. The other miscellaneous income is mostly revenue from services the Water Division performs, such as repairing damaged fire hydrants or tapping water lines for new buildings and interest income from investments.

Water rates increased in FY11 as part of a phased set of increases to meet rising costs. Declines in the overall volume of water sales have reduced the impact of these increases resulting in a more modest rise in net revenues.

1/2 CENT CAPITAL SALES TAX

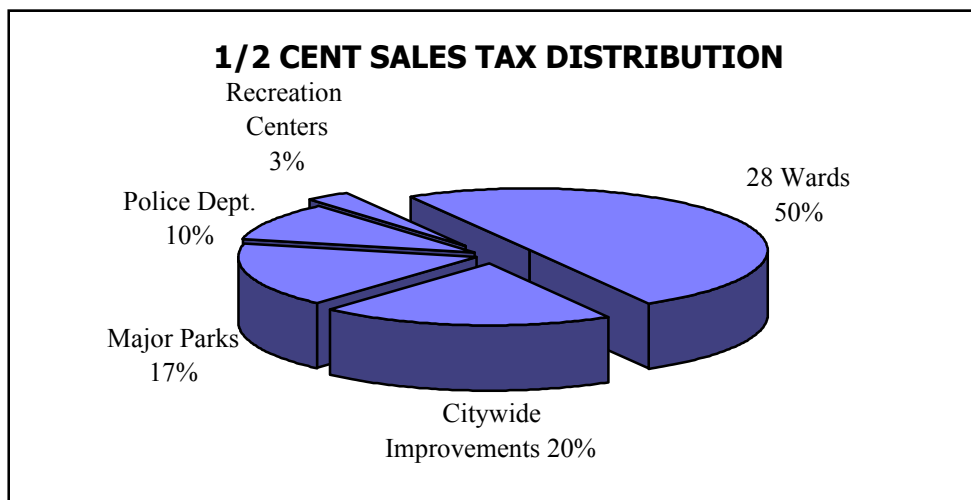
Definition

A one half percent tax levied on retail sales in the City of St. Louis is dedicated to Capital expenditures. The sales tax is not levied on certain items, including motor fuels, prescription drugs, food purchased with food stamps, all sales by or to not for profit organizations and residential utility charges.



Discussion

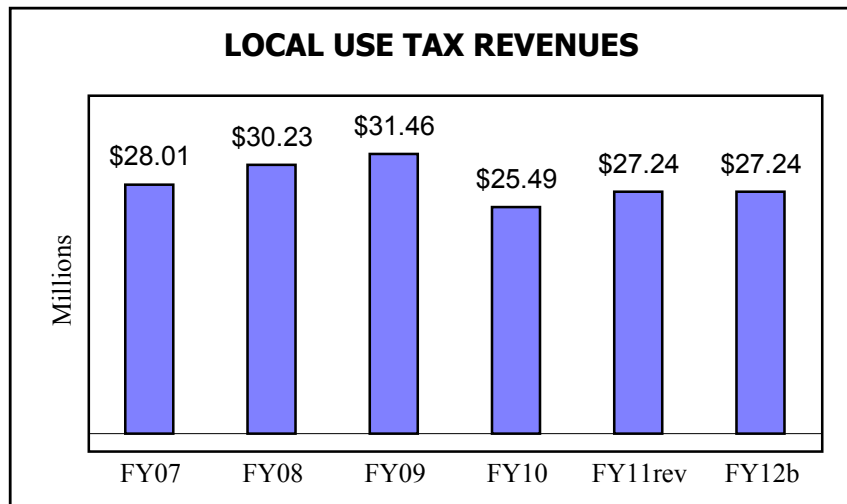
City voters approved the 1/2 cent sales tax for capital improvements in August, 1993. Having slumped in the past couple of fiscal years, sales tax revenues have leveled off and are projected to increase approx. 1% in FY12. The City ordinance authorizing the 1/2 cent sales tax included a formula for allocating the proceeds among various capital spending areas. This allocation is illustrated in the pie chart below.



LOCAL USE TAX

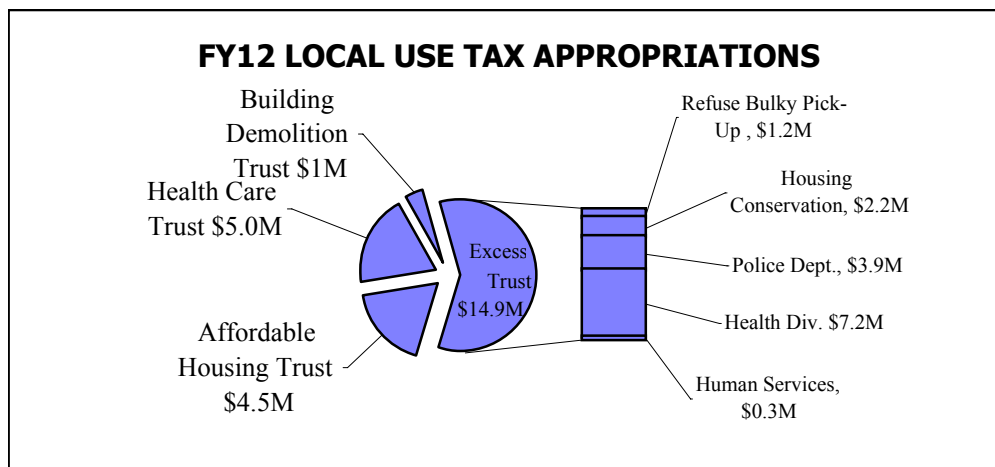
Definition

The Local Use Tax is a tax applied, in lieu of the local sales tax, on transactions that individuals and businesses conduct with out-of-state vendors, including catalog and direct market sales. The use tax rate is equal to the total local sales tax rate imposed by the City. With the passage of a new 1/4 cent sales tax for Metro the use tax rate will increase 3.35% to 3.6%.



Discussion

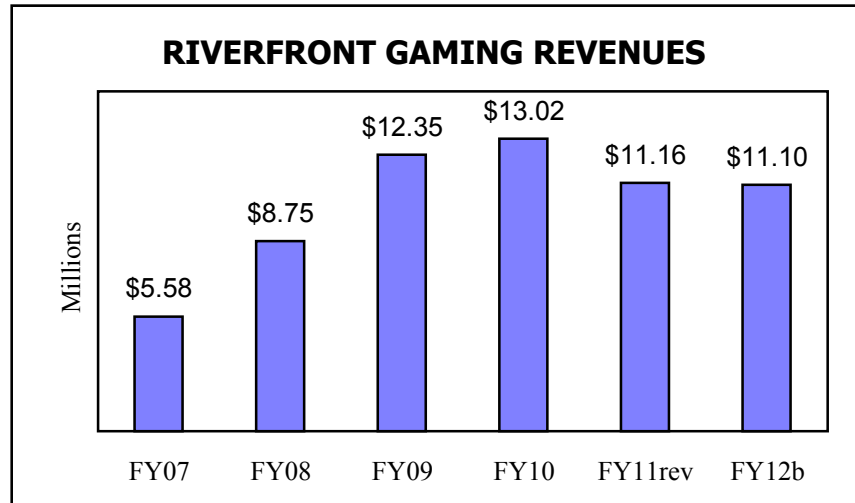
City voters approved the current Local Use Tax in November, 2002. The local use tax rate has increased since with increases in the City's sales tax rate, by 1/8 cent in 2007, a 1/2 cent increase in 2008, and finally a 1/4 cent increase effective July 2010. The total local use tax rate is currently 3.6%. Paid mostly by businesses, local use tax receipts fell sharply in FY10 and have recovered somewhat assisted by the rate increase in FY11. Projections for FY12 remain flat. Due to the past sharp reduction in proceeds, a reallocation of a portion of the proceeds for Affordable Housing (\$1M) as well as Building Demolition (\$2M) are being retained in the excess use tax fund to help offset the decline.



RIVERFRONT GAMING

Definition

Riverfront Gaming revenues come primarily from two sources: 1) the local share of the state gaming tax and 2) the local share of the state admissions tax.



Discussion

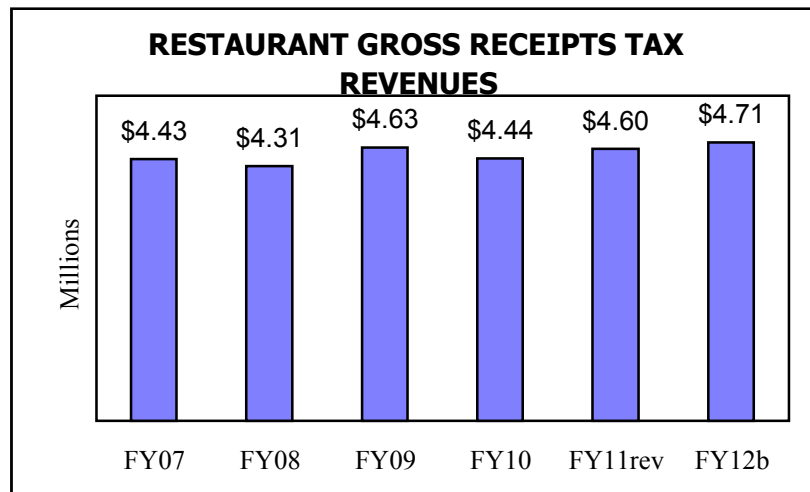
In December 2007, Lumiere Place, a new gaming facility operated by Pinnacle Casinos opened on Laclede's Landing. The new facility though not subject to Port lease payments due to its location led to a more than doubling of gaming revenues in FY09 over the two years prior. In 2008, Missouri voters approved removing loss limits as well as a 1% increase in the state tax rate on adjusted gross receipts (AGR). Now at 21% of AGR, the City receives 10% of this amount, or 2.1% of AGR. In addition, the City continues to receive \$1 of the state imposed \$2 head tax on the number of admissions. The closing of the old President casino on Laclede's Landing in July of 2010 resulted in the loss of approximately \$2.0M in port lease and gaming revenues. The recent opening of the new Pinnacle casino in south St. Louis county has also drawn some business from the existing Lumiere operation in the City. As part of the development agreement of this second casino Pinnacle will be making annual payments to the City of \$1M which will help offset this reduction in gaming receipts.

RESTAURANT GROSS RECEIPTS TAX

Definition

A 1% tax levied on the gross receipts of restaurants, excluding the sale of alcoholic beverages.

Discussion



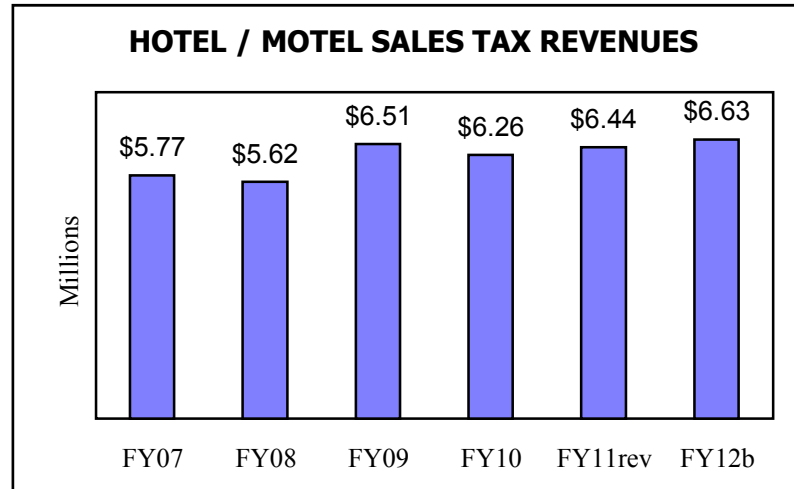
The 1% restaurant gross receipts tax serves as the source of revenue to the City's Convention and Tourism Fund. The fund was established to foster and promote the City's convention and tourism industry. Revenues from this source together with hotel tax receipts from the Convention and Sports Facility Fund are used to offset debt service payments on the Convention Center as well as minor subsidies to convention and tourism related organizations. In FY11, restaurant gross receipt revenues have grown 3.4%. FY12 estimates assume continued growth at 2.5%.

HOTEL / MOTEL SALES TAX

Definition

A 3.5% tax levied on the price of a hotel room.

Discussion



Hotel Tax receipts have exhibited consistent growth with the addition of hotel developments in the downtown and central corridor areas. Proceeds from this tax are deposited into a Convention and Sports Facility trust fund and together with restaurant tax revenues are used to offset debt payments on the convention center. Declines in visitors and tourism activity reduced revenues in FY10 by close to 4%. In FY11 receipts have returned to growth of approx. 3% through the 3rd quarter of the fiscal year and are projected to increase 3% in FY12.



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FINANCIAL AND BUDGETARY POLICIES

CITY VISION AND PROGRAM VISIONS

CITY OF ST. LOUIS, MISSOURI

FINANCIAL AND BUDGETARY POLICIES

The budget document for the City is an Annual Operating Plan serving as the guidebook for the fiscal year. It sets policy, identifies new initiatives and allocates the resources necessary to maintain City services and meet the objectives of the fiscal year.

A summary of the new initiatives and how the budget allocates this year's resources is described in the Executive Summary section of the budget document. Financial and budgetary policies as well as a draft vision statement and summary of program missions are outlined on the following pages.

BUDGET PREPARATION AND ADMINISTRATION

- 1) Annual budgets will be developed for the general and special funds by the Budget Division for review by the Board of Estimate and Apportionment.
- 2) A five-year expense and revenue projection will be developed for the general fund and the capital improvements fund to match revenue capacity with expenditure needs as a planning and decision tool.
- 3) Appropriations will be based on reasonable estimates of revenue.
- 4) Revenues and expenditures will be accounted for on a modified accrual basis for budgetary services.
- 5) The City will prepare a Comprehensive Annual Financial Report which it believes will meet all of the guidelines necessary to receive the Certificate for Excellence in Financial Reporting from the Government Finance Officers Association.
- 6) Annual budget appropriations will be made in a timely manner. In accordance with the City Charter, the Board of Estimate and Apportionment shall submit a balanced budget proposal to the Board of Aldermen at least sixty days before the beginning of the new fiscal year.

FINANCIAL AND BUDGETARY POLICIES

GENERAL FUND BUDGET

- 1) Revenue estimates will be developed for the ensuing fiscal year by the Budget Division, with independent review and commentary provided by the staff of the City Comptroller.
- 2) A revenue manual will be developed and updated annually with information concerning the assumptions underlying the revenue projections.
- 3) The City will maintain the unreserved portion of the general Fund Balance at a minimum of 5% of the total General Fund Budget.
- 4) The general fund budget for ongoing operations will be developed to match recurring revenues.
- 5) Revenues will be monitored monthly with official review and updates provided to the Board of Estimate and Apportionment on a quarterly basis.
- 6) Apparent shortfalls in revenue will be analyzed for their impact on future years.
- 7) Expenditures will be monitored monthly and apparent overspending will be handled on a departmental basis.
- 8) Known cyclical costs such as the 27th pay, which occurs every eleven years, will be funded at an appropriate amount in each budget.
- 9) Appropriations will be made annually to cover the expenses of the self-insurance fund.
- 10) Each request for a new program must be accompanied by an analysis that shows the long term impact of the program on existing revenue sources and on existing programs.

FINANCIAL AND BUDGETARY POLICIES

CAPITAL IMPROVEMENTS

- 1) The City shall prepare a five-year Capital Improvements Plan and a Capital Budget annually, in accordance with its Policy and Procedures manual.
- 2) The five-year Capital Improvements Plan shall identify sources of funding.
- 3) For major capital projects, an analysis should accompany the proposed projects with information on expected annual operating costs, projected revenue benefits (if any) and other indirect costs or benefits to the City.
- 4) The City shall fund capital projects with resources made available to the Capital Fund including, but not limited to, the proceeds from the 1/2 cent sales tax.

CITY DEBT

- 1) Bonding should be used to finance / refinance only those long-term assets or projects that benefit a significant portion of citizens in the City and for which repayment sources have been identified.
- 2) The scheduled maturity of bond issues shall not exceed the expected useful life of the capital project or asset financed.
- 3) For property tax supported bonds, the Comptroller will strive for a debt service reserve in an amount not less than the succeeding year principal and interest requirements. Reserve requirements for other bonds will be set forth in respective bond covenants.
- 4) Long term debt shall be structured with prepayment options, except when alternative structures are more advantageous to the City. The City will consider prepayments when available resources are identified.
- 5) Bond refunding shall be considered if one or more following conditions exist:
 - A) present value savings of 3% of par value of the refunding bonds
 - B) bond covenants are restrictive or outdated
 - C) restructuring debt is deemed desirable; desire to keep debt payments level from year to year, opportunity to release excess debt service reserves etc.
- 6) Bond insurance shall be considered when present value of debt service savings is equal to or greater than the insurance premium.
- 7) The City will take all steps necessary to maintain its credit rating on outstanding debt and comply with bond covenants.
- 8) The Comptroller will select underwriters and bond counsel from a pre-qualified list to be revised at least every two years.

CITY VISION AND PROGRAM MISSIONS

The City of St. Louis is a city of safe neighborhoods, attractive parks and recreation, affordable housing, desirable neighborhoods, good schools and efficient transportation and utilities. The City is a home to citizens of good health and well being, a vibrant and diverse economy and an efficient government.

SAFE NEIGHBORHOODS

- 1) Pursue a community oriented policing strategy that protects the public from the occurrence of crime and increases public safety both in perception and reality.
- 2) Ensure the administration of justice through a fair and efficient judicial system.
- 3) Prepare the City's government, emergency responders, private agencies and citizens to prevent, respond to and recover from disasters and other emergency events.
- 4) Operate a community-based Fire Department that improves the quality of life in and around the City by protecting life, health, property, commerce and the environment.
- 5) Enforce the building codes and ordinances of the City honestly, fairly and efficiently.
- 6) Protect the safety of the public and preserve neighborhoods through the removal of structurally unsound and derelict buildings.
- 7) Protect the safety of the public through professional management of adult detention facilities and the delivery of comprehensive correctional and rehabilitative services.

ATTRACTIVE PARKS AND RECREATION

- 1) Provide a full range of recreational and educational activities to City residents, particularly City youth, through recreation centers, recreation outposts and summer day camps.
- 2) Ensure the attractiveness, safety and quality of parks and neighborhoods through the maintenance and care of the urban forest.
- 3) Provide safe, attractive and accessible parks and open spaces within the confines of a densely populated urban center conducive to a variety of active and passive recreational opportunities.

CITY VISION AND PROGRAM MISSIONS

AFFORDABLE HOUSING AND DESIRABLE NEIGHBORHOODS

- 1) Promote neighborhood preservation through building, environmental, health and nuisance laws.
- 2) Promote City living and neighborhood stabilization through the preservation of affordable and accessible housing and support services that enhance the quality of life for those in need.
- 3) Promote neighborhood preservation and enhanced quality of life through an aggressive program of weed and debris removal.
- 4) Remove derelict vehicles that are in violation of City ordinances.
- 5) Provide City residents with courteous and efficient collection and disposal of solid waste in an environmentally safe manner.
- 6) Promote conservation of housing stock via a comprehensive inspection program to enforce all applicable building codes.
- 7) Work with citizens and government to improve and sustain a quality environment in City neighborhoods through problem solving, addressing public safety needs and other issues related to the delivery of City services.

EFFICIENT TRANSPORTATION AND UTILITIES

- 1) Efficiently provide a plentiful supply of the highest quality drinking water to City residents, businesses and other valued customers.
- 2) Provide an airport (Lambert-St. Louis International Airport) known for superior safety, operational efficiency and service to customers and one that meets both current and future air travel needs of the St. Louis metropolitan area.
- 3) Oversee and evaluate public right-of-way conditions for streets, sidewalks and ramps and provide for efficient repair and maintenance programs.
- 4) Manage the City's street signage, signals and lighting in a manner that efficiently and effectively moves traffic through the City.
- 5) Provide City commuters with safe, clean, and well-maintained streets, alleys and bridges in a cost effective manner.
- 6) Provide an efficient and well-maintained infrastructure for intermodal shipping through the City's port district.

CITY VISION AND PROGRAM MISSIONS

CITIZENRY OF GOOD HEALTH AND WELL BEING

- 1) Develop and maintain a world class EMS system to provide the best possible pre-hospital emergency medical care.
- 2) Provide the City with significant, proactive lead poisoning prevention services through inspection, abatement and clinical efforts.
- 3) Help City residents live longer, healthier and happier lives through health promotion and disease prevention efforts.
- 4) Protect the public from biting incidents, animal nuisances and the potential for the spread of disease through the enforcement of animal related ordinances.
- 5) Protect the public from insect and rodent borne disease through efficient prevention and treatment efforts.
- 6) Promote clean air through air monitoring and emissions inspection efforts.
- 7) Inspect food establishments, producers and retail outlets to prevent food borne illness and ensure that foods produced and distributed in the City are safe and wholesome.
- 8) Enhance the quality of life of citizens through the provision of social service programs to the aged, homeless, veterans, disabled, youth and families in need.

VIBRANT AND DIVERSE ECONOMY

- 1) Provide leadership and promote collaboration among public and private partners to develop a quality workforce that meets the economic and labor market needs of the St. Louis metropolitan area.
- 2) Enhance quality of life and economic vitality of the City through preparation of citywide neighborhood plans, preservation of cultural resources and provision of research graphics and design standard capabilities.
- 3) Promote neighborhood growth and or stabilization through federal funds administered by the U.S. Department of Housing and Urban Development (HUD).
- 4) Promote economic vitality through continued maintenance and preservation of the City's convention and sports related venues.
- 5) Promote a favorable environment for economic development through a judicious use of TIFs and other economic incentives.

CITY VISION AND PROGRAM MISSIONS

EFFICIENT AND EFFECTIVE GOVERNMENT

- 1) Provide a well-qualified, diverse City workforce utilizing progressive human resource programs based on merit and equal employment opportunity principles.
- 2) Utilize Information Technology to enhance the efficiency and effectiveness of City services.
- 3) Ensure effective legal representation of City departments and agencies.
- 4) Ensure the effective monitoring of the City's fiscal affairs through a modern and efficient accounting, payroll and auditing system.
- 5) Ensure a continuous and uninterrupted supply of materials, goods, services and equipment to support City departments and agencies.
- 6) Provide for an effective and efficient system for assessing and collecting City revenues.
- 7) Promote Citywide voter registration and ensure fair and well run public elections.
- 8) Effectively register and route City service requests in an efficient and customer friendly way and provide City departments with statistics as needed.
- 9) Ensure an equitable public contracting and procurement environment within City government in which ready, willing and able Minority / Women / Disadvantaged Business Enterprises are able to participate.
- 10) Provide for a well maintained public infrastructure.
- 11) Provide safe, comfortable, clean and well maintained City-owned facilities.
- 12) Ensure the service capabilities of City departments by repairing and maintaining an effective and efficient rolling stock and equipment fleet.

CITY VISION AND PROGRAM MISSIONS

MATRIX OF PRIMARY CITY GOALS BY DEPARTMENT

The table below provides an illustration of departmental responsibility for the implementation and reaching of FY2011 Goals. Please refer to the following corresponding Departmental Sections of this document for specific programmatic goals and activities being undertaken in support of these goals.

DEPARTMENT	<i>Safe Neighborhoods</i>	<i>Attractive Parks & Recreation</i>	<i>Affordable Housing / Desirable Neighborhoods</i>	<i>Efficient Transportation & Utilities</i>	<i>Citizenry of Good Health & Well Being</i>	<i>Vibrant and Diverse Economy</i>	<i>Efficient & Effective Government</i>
General Government			X			X	X
Finance							X
Parks, Recreation & Forestry		X					
Judicial Offices	X						X
County Offices							X
Public Utilities				X			
Streets			X	X			
Public Safety	X		X				
Health & Hospitals					X		
Human Services			X		X		
Board of Public Service				X			X